Prepared by: Spatial Planning and Urban Design Department in Collaboration with Members of the BEPP Technical Committee



CITY OF CAPE TOWN
Built Environment Performance Plan (BEPP) 2016/17

As approved at Council 26th May 2016

Submitted in compliance with Guidance Note for the Built Environment Performance Plan (BEPP) 2016/17 – 2018/19 issued 21st October 2015 by National Department of Treasury

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Acknowledgements:

This BEPP was prepared in between July 2015 and March 2016 with the grateful on-going assistance of the City's BEPP Technical Committee members and collaboration of the following Public Sector Partners:

Commonly Used Acronyms and Abbreviations

ACSA	Airports Company South Africa
BDRC	Blue Downs Rail Corridor
BEPP	Built Environment Performance Plan
BNG	Breaking New Ground
CBD	Central Business District
CCT	City of Cape Town
CRU	Community Residential Units
CSIR	Council for Scientific and Industrial Research
CSP	Cities Support Programme
CTSDF	Cape Town Spatial Development Framework
CTZS	Cape Town Zoning Scheme
DORA/Bill	Division of Revenue Act / Bill
ECAMP	Economic Areas Management Programme
EGS	Economic Growth Strategy
EMT	Executive Management Team (of the CCT)
EPWP	Expanded Public Works Programme
GPRC	Grant Projects Review Committee
GIS	Geographic Information System
HSDG	Human Settlements Development Grant
ICDG	Integrated City Development Grant
IHSF	Integrated Human Settlements Framework
IDA	Incremental Development Area
IDP	Integrated Development Plan
IGR	Inter-Governmental Review (session as per Mid-Year Budget Review)
INEPG	Integrated National Electrification Programme Grant
IPTN	Integrated Public Transportation Network
ITP	Integrated Transport Plan
IZSIP	Integration Zone Strategy and Investment Plan
IZ	Integration Zones
Mayco	Mayoral Committee (of the CCT)
MFMA	Municipal Finance Management Act
MSEIZ	Metro South-East Integration Zone
MTIIF	Medium Term Infrastructure Investment Framework
MTREF	Medium Term Revenue and Expenditure Framework
MURP	Mayoral Urban Renewal Progamme
NDP	National Development Plan
NDPG	Neighbourhood Development Partnership Grant
NLTA	National Land Transport Act
PTNG	Public Transport Network Grant
SDF	Spatial Development Framework
SDBIP	Service Delivery Business Implementation Plan
SOE	State Owned Entity
SPLUMA	Spatial Planning Land Use Management Act
TAP	Transit Accessible Precinct
TAZ	Transportation Analysis Zone
TCT	Transport for Cape Town
TOD	Transit Oriented Development
TOD-C	Transit Oriented Development Comprehensive (land use model)
TRA	Temporary Relocation Area
UISP	Upgrading of Informal Settlements Programme
UNS	Urban Network Strategy
USDG	Urban Settlements Development Grant
VRCIZ	Voortrekker Road Corridor Integration Zone
WCG	Western Cape Government

A. INTRODUCTION

A.1 Purpose of BEPP

The 2016/17 Medium Term Revenue and Expenditure Framework (MTREF) is the 3rd annual cycle of the Built Environment Performance plans (BEPPs). The BEPP and associated processes articulate a Metropolitan Municipality's investment rationale and institutional arrangements to address spatial and sectoral integration. The annual document submission acts as compliance instrument for the following Capital Grants allocated to the City via the Division of Revenue Act:

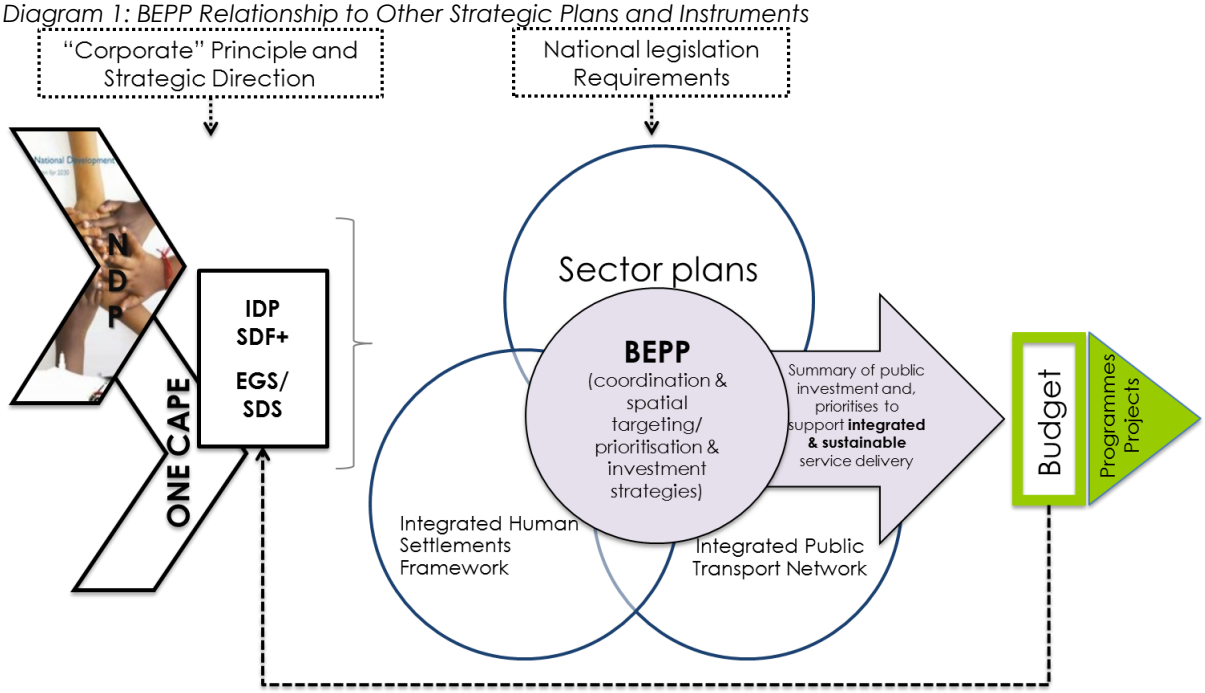
- **Public Transport Network Grant (PTNG)** Schedule 5B (specific purpose allocations to municipalities – fund managed by Transport for Cape Town (TCT);
- **Urban Settlements Development Grant (USDG)** Schedule 4B (supplements municipal budgets) – fund managed by Human Settlement Directorate;
- **Human Settlements Development Grant (HSDG)** Schedule 5A (specific purpose allocations to provinces) – fund managed by Western Cape Department of Human Settlements;
- **Integrated City Development Grant (ICDG)** Schedule 4B (supplements municipal budgets) – fund managed by Department of Spatial Planning and Urban Design (SPUD);
- **Neighbourhood Development Partnership Grant (NDPG**) Schedule 5B & Schedule 6B (allocation-in-kind to municipalities for designated special programmes) - fund managed by Department of Spatial Planning and Urban Design (SPUD); and
- **Integrated National Electrification Programme Grant (INEPG)** Schedule 5B – fund managed by Utilities Directorate.

The BEPP outlines the City's planning and financial arrangements (emphasising the grant funding component of capital spending) that support national policy objectives of inter alia: integration, inclusivity and sustainability. The National Development Plan (NDP), Integrated Urban Development Framework (IUDF) and more recently the Spatial Planning Land Use Management Act, Act 16 of 2013 (SPLUMA) have clearly articulated these objectives within the national context. The City's Integrated Development Plan (IDP), Spatial Development Framework (SDF) and growth strategies have provided the policy and institutional foundations for future investment and framed localised developmental targets and outcomes.

The BEPP has become an integral part of the municipal package of strategic plans and instruments (***Diagram 1***). It is uniquely positioned, being required to annually structure content that is reflective of:

- the founding strategic principles and targets established in the Integrated Development Plan (IDP) and Spatial Development Framework (SDF) – approved in 2012;
- the current financial, planning and infrastructure initiatives and risks managed by the City via sector and Master plans;
- the broader annual City budget and MTREF with an emphasis on the capital grants mentioned above;
- the investment rationale of other state departments and entities; and
- an increasingly structured and transversal framework for content preparation and strategic themes of national importance emphasised in guidelines issued periodically by National Treasury.

Diagram 1: BEPP Relationship to Other Strategic Plans and Instruments



A.2 National Treasury BEPP Guidance Note for MTREF 2016/17 – 2018/19

The National Treasury's BEPP Guidance Note for 2016/17-2018/19 - issued on 21st October 2015 - directs the focus of this year's review to the following issues:

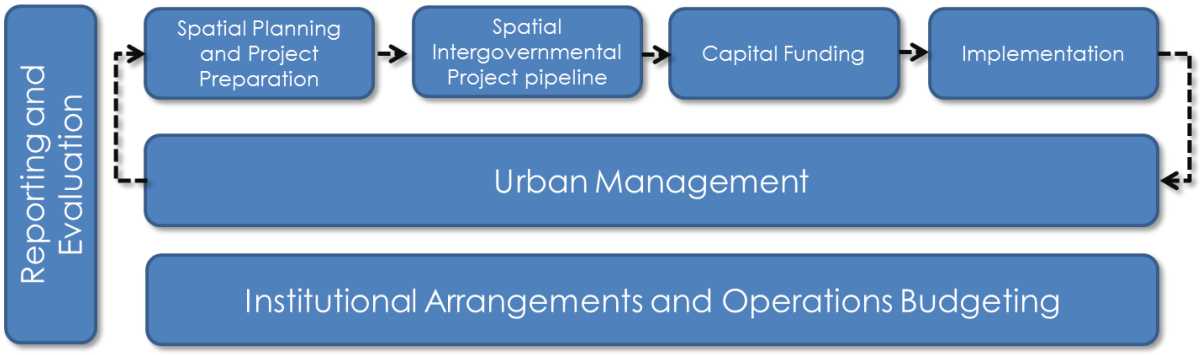
- Prioritisation of **Integration Zones**;
- **Developing** a **strategy for the prioritised Integration Zone** that includes both investment (financing options for the pipeline of catalytic urban development projects) and non-investment elements (land and development rights regulation, partnerships for precinct planning and management, etc. as outlined in further detail in the following section);
- **Implementation** of key **catalytic urban development projects**;
- **Improving intergovernmental planning alignment** – effecting changes in metropolitan spaces at the metropolitan sphere requires changes in planning from the provincial and national sphere, as well as State Owned enterprises; and
- Introducing a **Progression Model** for BEPPs.

Nationally, the BEPP process and plan recognises that planning and fiscal arrangement should be results focused and places urgency on progressing plans into clear implementation programmes that can be effectively monitored against established targets and outcomes ("Outcomes led planning"). Additionally, the concept of a Built Environment Value Chain (BEVC) has been introduced by Treasury this year. The BEVC emphasises a structured inter-governmental process illustrated in ***Diagram 2*** and has influenced the content and format requirements for 2016/17.

HYPERLINKS: Throughout this document a number of hyperlinks are included to allow the reader to explore the details and documents relating to supporting strategies and policies.

Unless otherwise specified hyperlinks in **this** case are available via web-based links. Others in this case are available as attachments to the BEPP digital folder that accompanied digital submissions of this BEPP.

Diagram 2: Built Environment Value Chain (BEVC)



A.3 City Focus and Institutional Arrangements for BEPP Review 2016/17

The BEPP document and process has developed significantly within the City in the past three years of review. Integration Zones within the context of an Urban Network Strategy (UNS) have been defined and planned; catalytic projects identified; outcome indicators considered and the process has driven key alignment themes via transversal working groups within the administration.

The City's broad development rationale in relation to the built environment has been extensively covered in preceding BEPP documents. Consequently, this review is prepared in a concise manner that seeks to eliminate duplication whilst still maintaining a coherent narrative and focused on the following aspects as directed by the BEPP guidelines issued in October 2015:

- **identification and prioritisation of precincts** and local areas within the City's two identified Integration Zones (IZs);
- key strategy components that are emerging from the planning in these zones;
- **urban management techniques** being considered by the City;
- Intergovernmental working group proposals re: **catalytic public sector property pipeline** aligned to the principles of Transit Oriented Development (TOD); and
- **alignment principles** informing the screening of grant projects for 2016/17.

Annexures to this submission reflect:

- modelling outcomes, implications and resultant policy shifts of the **TOD Strategic Framework**, associated Toolkit and Transit Oriented Development Comprehensive land use model (TOD-C) – Annexure A
- An update on the **Integrated Human Settlement Framework (IHSF)** Implementation Plan and human settlement initiatives including the projects submitted as Mega-projects to the National Department of Human Settlement – Annexure B;
- Summary **overviews of the Integration Zones** with particular reference their characteristics and diagnostic requirements – Annexure C;
- The **alignment questionnaire** used to screen many of the City's prospective capital an operational projects – Annexure D;
- An **Infrastructure Review** highlighting resource demand management efforts in relation to key utilities infrastructure including water and energy.

The following institutional arrangements and progress has been made since the Council approval of the 2015/16 BEPP in May / June 2015.

I. Within the City of Cape Town the BEPP process and product is co-ordinated under the auspices of the **Growth Management Working Group**, reporting formally to the Economic Cluster in the Transversal Management System of the City (a consolidated political and

technical environment). It is also vertically aligned with the Executive Management Team, under the City Manager whereby each of the Line Department's Executive Directors provides the technical inputs required for the BEPP process and product (***Diagram 3***).

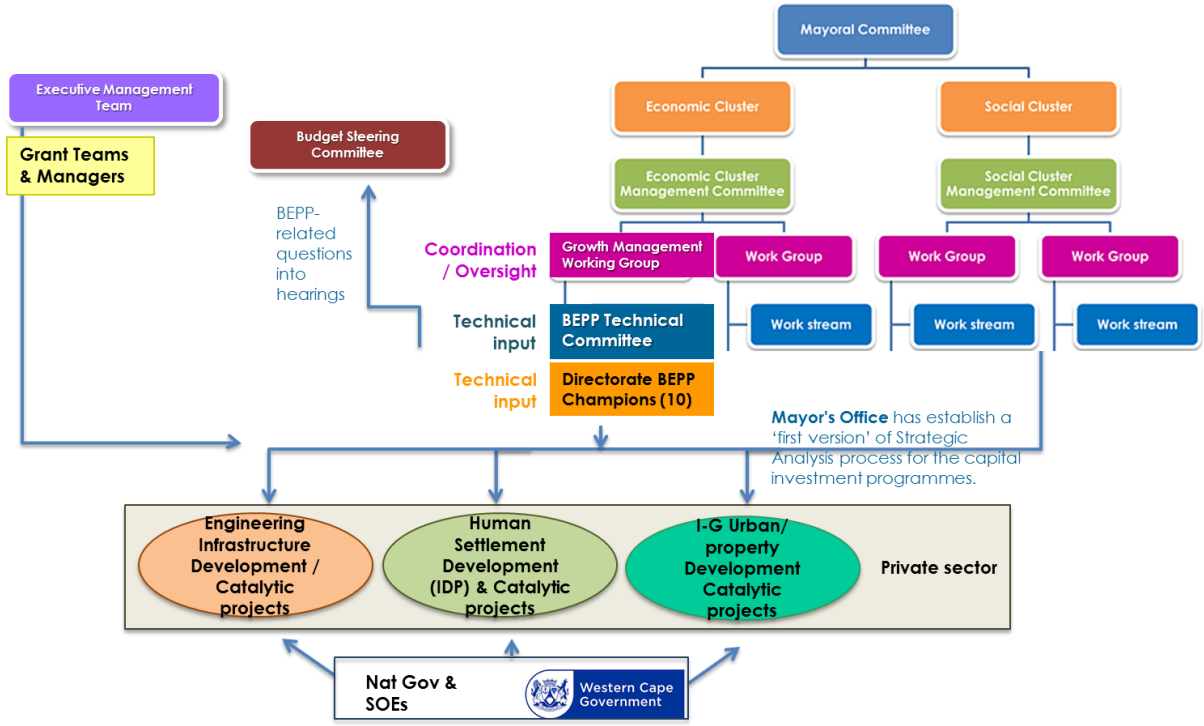


Diagram 3: Institutional Framework Directing BEPP Process

II. **The BEPP Technical Committee** comprising at least one BEPP Champion from each line department provides on-going technical support and oversight to the work of the BEPP Team. The Department of Spatial Planning and Urban Design (SPUD) within the Directorate of Energy, Environment and Spatial Planning (EESP), continues to act as the co-ordinator of the BEPP Technical Committee. The Technical Committee met shortly after the May 2015 approval of BEPP 2015/16 to discuss lessons learned during the preceding year and reflect on the review documents distributed and coordinated by the National Treasury. Typically, the Committee meets on a monthly basis prior to the approval of the document by Council in May of a given financial year.

III. The aims for the 2016/17 BEPP related to improvements in vision consolidation amongst the different directorates and the political arenas. Initiatives ensured that line department leadership, serving on the **Executive Management Team (EMT)** led by the City Manager, had greater ownership of the formulation of BEPP document content; were involved earlier in the process; and became part of a Review Framework discussion.

IV. A report to the EMT served in July 2015 outlining a revision process for the 2015/16 year and reconfirming the nomination of line department BEPP Champions (a financial; strategic/ planning; and monitoring and reporting representative). In August, the BEPP Champions presented their perspectives on the 2015/16 BEPP, as well as the improvements they intended to make towards sectoral content in the document.

V. **Portfolio Committees (PCs)** were briefed by sector-specific BEPP Champions in July/August on the current BEPP and sector specific Review Framework. The briefing outlined the BEPP focus, importance of and impact on the PC and the process envisaged leading to an approval by Council in May 2016. This communication process developed awareness of and confirmed the strategic importance of the BEPP within the political structures of the City.

VI. For the first time, BEPP-related questions and co-ordinators were incorporated into the **Budget Steering Committee** hearings and for this year of review replaced bilateral engagements with Departments and Directorates.

VII. In the first quarter specific attention was given to working with the **Mayor's Office** to set up and facilitate the Strategic Analysis process for the capital investment programmes. This initiative was aimed at evaluation of all the grant funded projects for year 2016/17 and those not yet contractually committed, as well as projects initiated and under review. A **Strategic Alignment Questionnaire** with a supporting spatialisation tool was initiated by the Capital Programme Monitoring Unit (CPMU) Strategic Policy Unit (SPU) with direct inputs from the BEPP team. The initiative facilitated an evaluation of all capital projects and the majority of the highest cost operational budget projects. This allowed for a pre-emptive evaluation of budget on the basis of the agreed criteria for capital project evaluation and prioritisation. The prioritisation criteria were reflected in an on-line internal platform[1] which effectively acts as a strategic evaluation tool, supporting the qualitative analysis of all capital projects and operational projects (***Section G1.1***).

VIII. The City's **PTNG application** documents were prepared in advance of other capital grant prioritisation discussions and it was important to understand the thinking and planning that was being expressed and how that would impact on the planning and alignment of other sectors. Accordingly, the BEPP Technical team dedicated time to understanding the PTNG application process, content and plans in September 2015.

IX. A full day engagement with most **Provincial Government Departments** took place on 20th October 2015 giving an indication of capital budgets (at adjustment phase) for implementation from 1 April 2016 (***Section D2.2***). Presentations were made by the Provincial Departments of Education, Health, Transport and Public Works (regeneration and special projects), Human Settlements and Roads. Whilst the parallel planning processes between the City's sectoral departments and their provincial counterparts during the course of the year is working reasonably well, there remains uncertainty in relation to delegations on Health provision and Human Settlements. T

X. Specific requests were made by the Education as well as the Health Department for a special co-planning process where the Metropolitan and Regional Spatial Planning Departments join the Provincial Infrastructure Planning Departments of Health and Education on a more structured quarterly process. This will ensure coordination of the capital investment programme with the City's Human Settlement's Department (which remains the largest developer of housing projects in the City). Another focus of the collaborative planning process remains the identification of "brownfields" human settlement opportunities on sub-metropolitan level. These initiatives will be embarked upon in the 2016 calendar year.

XI. A collaborative planning session with the **SOEs and National Departments** took place on 11th November 2015. Information pertaining to planned public sector projects and investments were discussed with ESKOM, ACSA, the Ports Authority, Metrorail/ PRASA and South Africa Social Security Agency (SASSA) (***Section D2.3***). Other interactions with the National Department of Energy (regarding the potential expansion of the Koeberg Nuclear Power Station) as well as the Strategic Fuel Assets are already underway through other mechanisms. In addition, interactions with the National Department of Human Settlements and Housing Development Agency with a focus on the **Master Spatial Plan** for Human Settlements, the **Mega-Projects** and Land Approach have also taken place periodically during the year.

[1] Hyperlink only active via City of Cape Town server access

B. SPATIAL PLANNING AND PROJECT PRIORITISATION

B1 Spatial Targeting

The City has developed a comprehensive suite of plans and strategies to address economic growth and social development; infrastructure maintenance and expansion; environmental protection; and climate adaption. All of these are supportive of the 5-year term-of-office City's Integrated Development Plan (IDP) initiated in 2011/12. This 2015/16 financial year is the last of that 5 year IDP period and during 2016/17 the IDP will be reviewed to reflect the aims and objectives of a new political term of office.

Integral to the City's IDP is the Cape Town Spatial Development Framework approved in 2012 and eight supporting District Spatial Plans that provide a long term spatial vision and policy environment to inform planning and investment decisions. The Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA) places an increased emphasis on this plan and the processes associated with it.

The new approved policy and strategy directing the human settlement and transportation sectors have in the last two financial years had significant impacts on this spatial vision and the structuring elements associated with them. These have included pragmatic approaches to settlement typology and locations associated with upgrading and rental accommodation programmes reflected in the Integrated Human Settlements Framework (IHSF).

An integrated public transport system incorporating road and rail based, motorised and non-motorised transport reflected in the Integrated Public Transportation Network (IPTN) will similarly have a profound impact in the efficiency and sustainability of the city's mobility networks and modes in future.

The approval of the IPTN in particular recognised the need to embrace the principles and objectives associated with Transit Orientated Development: an investment and performance driven approach to increase urban and system efficiencies premised on:

- Choice in respect of all modes of transport (Non-motorised, motorised, private, public);
- The leveraging of existing and planned transit infrastructure to ensure an effective and complementary mix of residential and non-residential land uses and associated densities, intensities, typologies and income groups;
- Prioritised and sequenced physical and social infrastructure delivery; and
- Public sector leadership through integrated planning, and practical partnerships.

These aspects and importantly, the land use and transportation modelling associated with these products will have significant impacts on the imminent IDP and SDF reviews envisaged during the 2016/17 year.

The Integration Zones aligned along the Voorterkker Road and Metro South East corridors are further strengthening and progressively building a more coherent spatial logic and investment rationale for capital funding within the City.

These key strategic informants of the built environment and public investment in the City these elements are considered in turn below.

B1.1 Cape Town Spatial Development Framework (CTSDF)

The Cape Town Spatial Development Framework (CTSDF) was approved by Council in May 2012. It will be subject to a review during 2016/17 during which time newly introduced strategies and tools (for example the Integration Zones) will be integrated into the reviewed document.

The remit of the CTSDF is to establish the broad principles and policies to manage growth and land use changes in the city, and ensure that urban growth happens in a sustainable, integrated and equitable manner. In practical terms, the City needs to: address a fragmented spatial pattern that marginalises high-density, low-skilled, low-income groups from the economic opportunities of the central and northern areas of the City (***Diagram 3***); facilitate economic growth and urbanisation trends (9 million m^2 of non-residential bulk and 500,000 new residential units estimated by 2032); and preserve the ecological and environmental assets of the City.

Key strategies included in the framework focus on:

- Planning for employment and improving access to economic opportunities;
- Managing growth (balanced between urban development and environmental protection); and
- Building an inclusive, integrated, and vibrant city.

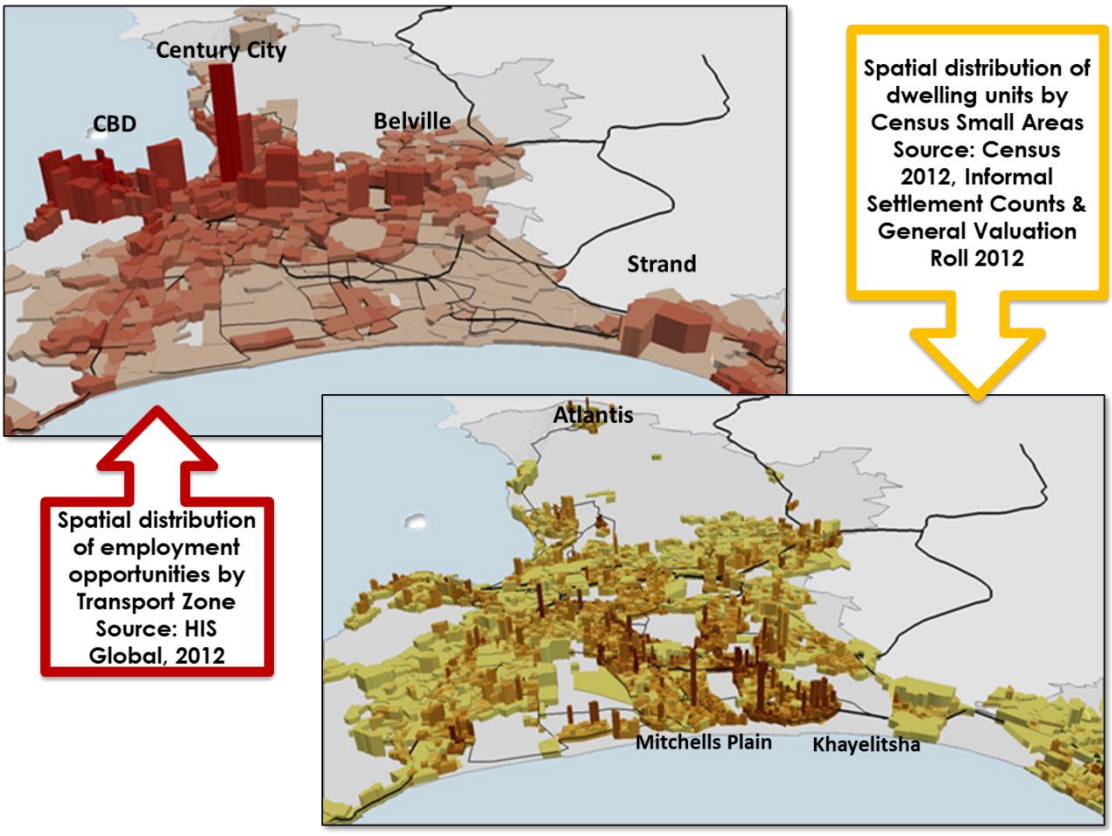


Diagram 4: Spatial Fragmentation of Employment and residential densities

Each strategy is accompanied by a set of sub-strategies, policies and guidelines including:

- A ***multi-directional accessibility grid***, as opposed to the original radial system focused on the CBD, enabling convenient access and multi-directional movement. Areas of land use intensification in accessible, high opportunity locations (including ***Development Corridors, Urban Nodes, Strip Development*** and ***Civic Precincts***).
- ***Development edges*** and growth directions to contain sprawl and protect valued natural, heritage and urban areas, while directing urban expansion in the medium/longer term.
- ***Destination places*** which are significant existing or potentially significant points of attraction that form part of Cape Town's unique identity.

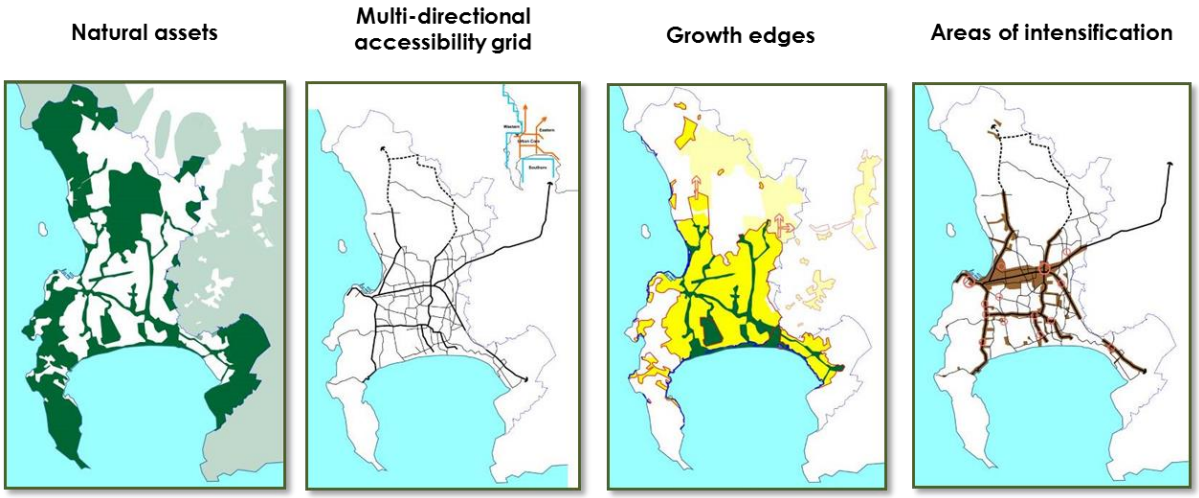


Diagram 5: Spatial Structuring Elements of the CTSDF

The CTSDF recognised that rapid and continuous low-density development threatens the long-term sustainability of the physical, environmental and financial integrity of the city.

To support a more effective approach to land use the intensity and density of residential land uses consequently Council adopted a Densification Policy in February 2012.

Key directives and considerations of the policy include: encouraging densification in density priority zones and urban civic upgrade areas; supporting multi-storey forms and locations of subsidised housing; encouraging the development of state owned land within strategic locations and; innovative design and financing solutions for informal settlements and new subsidised housing areas; and where appropriate the relocation of some households to alternative sites where densities are unsustainable.

These directives were further augmented in June 2014 when the City approved an Integrated Public Transportation Network (IPTN – approved June 2014) and resolved to model a more aggressive approach to Transit Oriented Development towards greater fiscal sustainability. Densification within existing formal and informal urban environments is a central tenet of the Integrated Human Settlements Framework (IHSF) that has now progressed into an Implementation Plan (2015). The IPTN and IHSF were extensively discussed in the previous BEPP submission. ***Annexures A and B*** of this BEPP submission illustrate progress made in both of these key strategic sectoral plans and are essential reading in relation to this BEPP document.

B1.2 Urban Network Strategy (UNS) and Integration Zones (IZs)

To give effect to spatially targeting and the performance-related Integrated City Development Grant (ICDG), the City has identified and commenced detailed planning for two Integration Zones (IZs) namely, the Metro South-east Integration Zone (MSEIZ) and the Voortrekker Road Corridor Integration Zone (VRCIZ). The IZs represent a joint commitment between the City and the National Department of Treasury to plan, fund and implement projects and approaches that are most able to transform the spatial structure of the City.

The City's previous BEPP submissions progressively outlined the broad rationale and planning processes for the determination of these IZs; how they constitute the City's response to Treasury's Urban Network Strategy (UNS); and the alignment to the SDF rationale.[2] The UNS seeks to link and integrate emerging urban hubs with Central Business Districts (CBDs) through effective transport links and spatially defined activity corridors.

Diagram 6 illustrates the elements that comprise the UNS concept for Cape Town.

The two IZs are premised on i) opportunities afforded by public transport to restructure urban form along Transit Orientated Development principles; ii) capacity to link concentrations of economic opportunity and mono-use settlement patterns; iii) opportunities to diversify and intensify land uses; and iv) infrastructure improvements and related catalytic urban development projects. Although the two IZs share the potential to assist in the restructuring of the City they are quite different in terms of existing spatial form and structure.

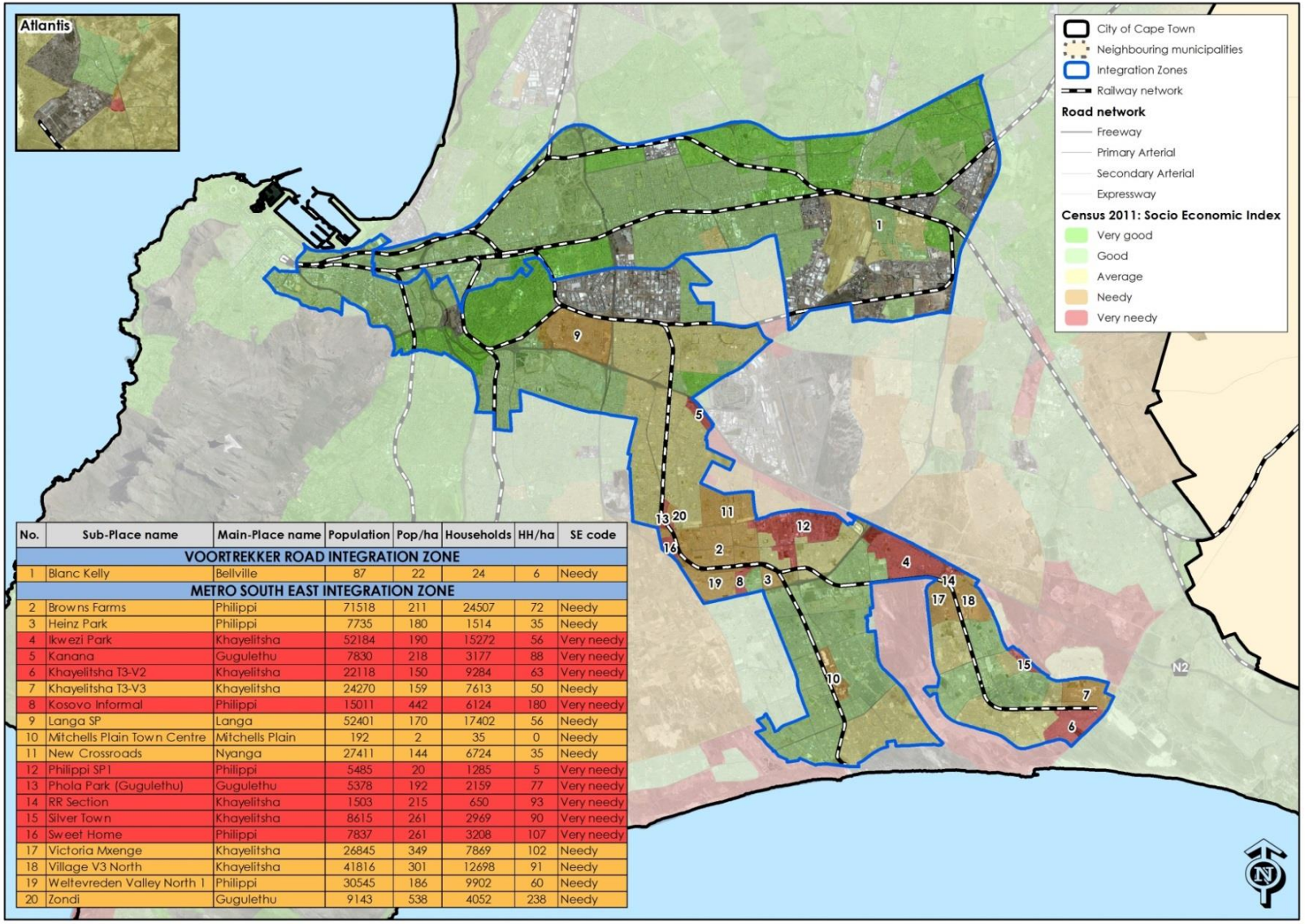
Diagram 7 illustrates the differentiated densities and prevalent socio-economic conditions within each IZ.

A summary of each Integration Zone follows.

[2] CCT 2015/16 BEPP Section C.11



Diagram 6: Urban Network Strategy



No.	Sub-Place name	Main-Place name	Population	Pop/ha	Households	HH/ha	SE code
VOORTREKKER ROAD INTEGRATION ZONE							
1	Blanc Kelly	Bellville	87	22	24	6	Needy
METRO SOUTH EAST INTEGRATION ZONE							
2	Browns Farms	Philippi	71518	211	24507	72	Needy
3	Heinz Park	Philippi	7735	180	1514	35	Needy
4	Ikwezi Park	Khayelitsha	52184	190	15272	56	Very needy
5	Kanana	Gugulethu	7830	218	3177	88	Very needy
6	Khayelitsha T3-V2	Khayelitsha	22118	150	9284	63	Very needy
7	Khayelitsha T3-V3	Khayelitsha	24270	159	7613	50	Needy
8	Kosovo Informal	Philippi	15011	442	6124	180	Very needy
9	Langa SP	Langa	52401	170	17402	56	Needy
10	Mitchells Plain Town Centre	Mitchells Plain	192	2	35	0	Needy
11	New Crossroads	Nyanga	27411	144	6724	35	Needy
12	Philippi SP1	Philippi	5485	20	1285	5	Very needy
13	Phola Park (Gugulethu)	Gugulethu	5378	192	2159	77	Very needy
14	RR Section	Khayelitsha	1503	215	650	93	Very needy
15	Silver Town	Khayelitsha	8615	261	2969	90	Very needy
16	Sweet Home	Philippi	7837	261	3208	107	Very needy
17	Victoria Mxenge	Khayelitsha	26845	349	7869	102	Needy
18	Village V3 North	Khayelitsha	41816	301	12698	91	Needy
19	Weltevreden Valley North 1	Philippi	30545	186	9902	60	Needy
20	Zondi	Gugulethu	9143	538	4052	238	Needy

Diagram 7: socio Economic Profile and Population / Household Density within IZs

B1.2.1 Metro South-East Integration Zone (MSEIZ)

Primary Spatial Restructuring Objective linking Mitchells Plain (Urban Hub) / Khayelitsha with the Cape Town CBD.

Marginalised Areas within MSEIZ: Philippi, Khayelitsha and Gugulethu located within the MSEIZ account for some of the City's most marginalised communities as defined by the Socio-economic Index based on Census 2011. Similarly, a number of sub-places within these areas are amongst the highest household and population densities within the City e.g. Kosovo and Sweet Home Informal Settlement (Philippi) and Zondi in Gugulethu - ***Diagram 7 and Table 1***. Many areas targeted by the Mayoral Urban Regeneration Programme fall within this Integration Zone.

Cape Town's TOP 10 deprived areas categorised as Needy & Very Needy in terms of population and density								
Rank	Population		Pop/ha		Households		HH/ha	
1	Delft SP**	72 390	Dunoon School Site Informal*	932	Brown's Farm**	24 507	Dunoon School Site Informal*	387
2	Brown's Farm**	71 518	Gatesville Informal*	567	Delft SP**	20 556	Zondi**	238
3	Langa SP**	52 401	Zondi**	538	Langa SP**	17 402	Joe Slovo Park**	203
4	Mfuleni SP**	52 274	Joe Slovo Park**	505	Mfuleni SP**	16 804	Kosovo Informal*	180
5	Ikwezi Park**	52 184	Kosovo Informal*	442	Ikwezi Park**	15 272	Gatesville Informal*	177
6	Village V3 North**	41 816	Masiphumelele**	409	Village V3 North**	12 698	Fisantekraal Informal*	156
7	Delft South**	36 105	Gqobasi Informal*	405	Dunoon**	10 722	Gqobasi Informal*	147
8	Weltevreden Valley North 1**	30 545	Fisantekraal Informal*	404	Weltevreden Valley North 1**	9 902	Lusaka*	146
9	Dunoon**	29 268	Vrygrond Informal*	377	Delft South**	9 890	Masiphumelele**	130
10	Bloekombos	29 241	Europe*	364	Khayelitsha T3-V2**	9 284	Vukuzenzele*	124
	Voortrekker Road Integration Zone		** Informal Settlement*		*Source: Stats SA, Census 2011, Socio Economic Index (compound of four indices; Education, Household services, Housing and Economic)*			
	Metro South East Integration Zone		*** Informal Settlement (Partially)*					

Table 1: Statistical Assessment of Socio-Economic Profile and Densities

Numerous human settlements projects are active and planned in this Integration Zone. The City's Southern Corridor catalytic human settlement project submitted to the National Department of Human Settlement falls within the MSEIZ. A full list of human settlements projects and interventions is included in ***Annexure B*** and include Langa Joe Slovo (N2 Gateway programme), BM Section (In-situ Upgrading programme) and Valhalla Park Infill (New Mixed-Use programme).

Growth Nodes: Three Urban Hubs are located within this IZ, namely Athlone, Philippi East and Mitchell's Plain Town Centre. There a numerous smaller nodes within the IZ including Khayelitsha, Nyanga, Manenberg, Gugulethu and Langa. The City's ECAMP platform monitors performance and potential of the following nodes in the IZ: Athlone and Athlone Industrial, Epping Industrial, Khayelitsha, Mitchell's Plain, Ndabeni, Philippi East and North.

Strategic intentions and opportunities within MSEIZ:

The rail corridor is the backbone of the MSEIZ. Transportation projects and investments include: The N2 Express MyCiti (CCT), the Central Line Modernisation Programme (PRASA and Metrorail), Phase 2a MyCiti (CCT), the redevelopment of the Nolungile Public Transportation Interchange, Khayelitsha CBD, and the Station Deck Precinct Development.

Additional engineering infrastructure capital investment in capital infrastructure to support the Integration Zone includes: the Mitchells Plain intake (Erica substation), Cape Flats 3 sewer line installation and rehabilitation of lines 1 & 2.

Diagram 8 illustrates key projects within the zone recognising that it hosts a number of potentially catalytic urban development property projects including the redevelopment of the Athlone Power Station (APS), the Two Rivers Urban Park (TRUP) and District Six.

Specific objectives of the MSEIZ SIP are to:

- Enhance the MSEIZ's contribution to a more compact and integrated city, with associated efficiency, productive, and resource sustainability gains.

- Use the TOD Strategy as a lever to growth and development through the enhancement of public transport infrastructure (including its institutional arrangements and processes) and the support of appropriate development at appropriate locations.
- Improved housing opportunity to enable productive livelihoods and communities.
- Maximise the investment by various spheres of government and related agencies in the provision and maintenance of infrastructure and public facilities; and encourage private sector and individual entrepreneurship and investment through appropriate infrastructure and facility provision, regulations, and urban management instruments.
- Enhance infrastructure provisions in the MSEIZ.

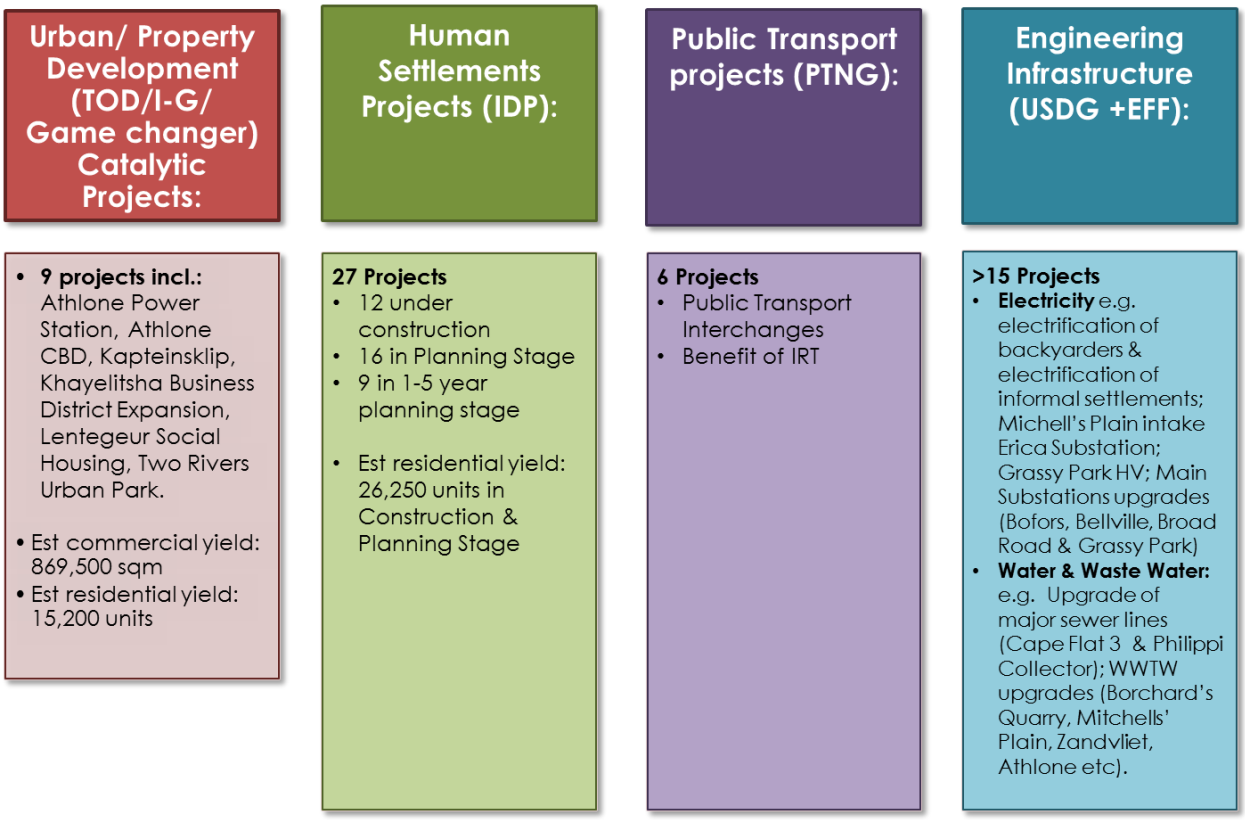


Diagram 8: Key Project Summary MSEIZ

B1.2.2 The Voortekker Road Corridor Integration Zone (VRC)

Primary Spatial Restructuring Objective: linking Bellville CBD with the Metro South-East Corridor boundary and the Cape Town CBD.

Marginalised Areas within VRC: Although the socio-economic profile is not as vulnerable as the broad MSEIZ profile, the VRC has been susceptible to urban decay and in need of structured management approaches to support and stimulate investment and re-investment. A number of informal settlements are located within the VRC namely: Koekoe Town (98 households), Maitland cemetery (113), Royal Plakkers Kamp (172), 6th Avenue, Kensington (189), Wingfield Camp (235), Appelboord (359), and Gaza (378).

Growth Nodes: In addition to the key business districts of Bellville and the Cape Town CBD other strategic nodal points and precincts include Maitland, Parow, Goodwood, Salt River. Regional facilities located in the VRC include the University of the Western Cape, Cape Peninsula University of Technology and Tygerberg Hospital.

Strategic intentions and opportunities within VRC:

The VRC provides opportunities to i) optimise land-use in support of transit investments ii) intensify development and iii) balance transit demands (key to an efficient and sustainable public transport network). Most prominent of these opportunities from a public transport perspective is the Bellville Public Transport Interchange which provides the City an opportunity to reconsider its considerable land holdings and to leverage opportunities of integrated, mixed land use within the context of this inter-modal facility.

The availability and increase in supply of affordable rental stock is recognised as one of the key levers towards integration and renewal of the VRC and the VRC Social Housing project was submitted by the National Department of Human Settlements as one of the City's candidate Catalytic Human Settlements Projects.

A separate integrated strategically-orientated forward planning exercise (referred to as the Bellville Integrated Transport Local Area Plan - BITLAP) consolidates planning efforts by the City's TCT and SPUD as well as other SOEs (Transnet, PRASA/ Metrorail) and the Provincial Departments.

Diagram 10 illustrates key projects within the zone recognising that it hosts a number of potentially catalytic urban development opportunities linked to strategic state land including Wingfield and old provincial hospital sites. The human settlements emphasis in this Integration Zone is focused on social housing that would provide affordable rental opportunities at densities supportive of the public transport network and TOD principles.

Additional engineering infrastructure to support the Integration Zone includes the Northern Area sewer line replacement, and the Bellville WWTW upgrade.

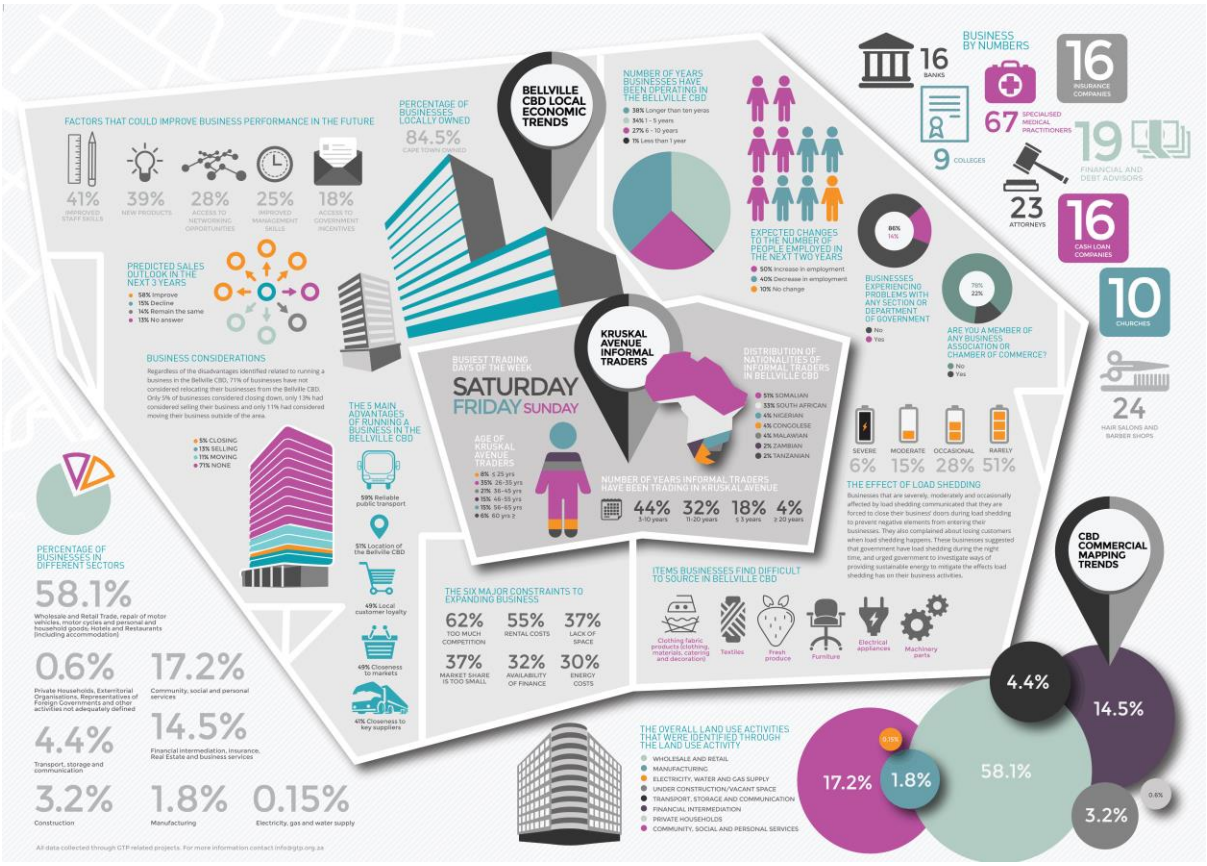


Diagram 9: Infographic illustrating statistical overview of the Bellville Node located within the VRC (source: [gtp.org.za](gtp.org.za))

Urban/ Property Development (TOD/I-G/ Game changer) Catalytic Projects:	Human Settlements Projects (IDP):	Public Transport projects (PTNG):	Engineering Infrastructure (USDG + EFF):
10 projects incl: Conradie Hospital, Belhar CBD, Stikland & Tygerberg Hospitals, Wingfield, Salt River Social Housing, Parow Golf Course. • Estimated commercial yield: 857,500 sqm • Estimated residential yield: 39,500 units	**9 Projects:** • 2 under construction • 4 in Planning Stage • 3 in 1-5 year planning stage • Estimated residential yield: 3,091 units in Construction & Planning	**3 projects:** • Public Transport Interchange upgrade projects (Parow, Bellville,CBD)	**>5 Projects** • **Electricity** e.g. Main Substations upgrades (N1 Plattekloof, Grosvenor, Oakdale) Substation upgrades (Tygerberg) • **Water & Waste Water:** e.g. Upgrade of WWTW (Bellville). • **Solid waste:** Bellville Landfill expansion & Bellville Waste Transfer Station, New regional land fill.

Diagram 10: Key Project Summary VRCIZ

B2 Local Area Planning

One of the key themes highlighted in this year's BEPP guidelines is the call for prioritisation of Integration Zones. Local Area Planning has been on-going within Cape Town's IZs since 2014/15. Beyond the delineation of the Zones and prioritisation of MSEIZ and VRCIZ over other development and investment corridors – for example Blue Downs and Wetton Lansdowne – much of the work in the last year has focused on prioritising local areas within each corridor; determining investment strategies; and engaging with the key stakeholders internally and externally. Planning work has concluded on both IZs and the detailed Investment Strategies for MSEIZ and VRCIZ can be found via the hyperlinks.

Annexure C provides a tabulated summary overview of strategic interventions and process adapted from the requirements of the BEPP Guidelines.

The emphasis of this draft submission is the prioritisation of local area precincts *within* the two IZs. The reflection of these Prioritised Local Areas (PLAs - reflected in ***Diagrams 10 and 11***, ***Tables 2 and 3***) is the culmination of two internal planning processes that have analysed and determined potential and priorities. These PLAs have been tested with community and political forums and represent a transition from planning to implementation and prioritised capital investment for the IZs.

Diagram 11: Voortrekker Road Spatial Structure

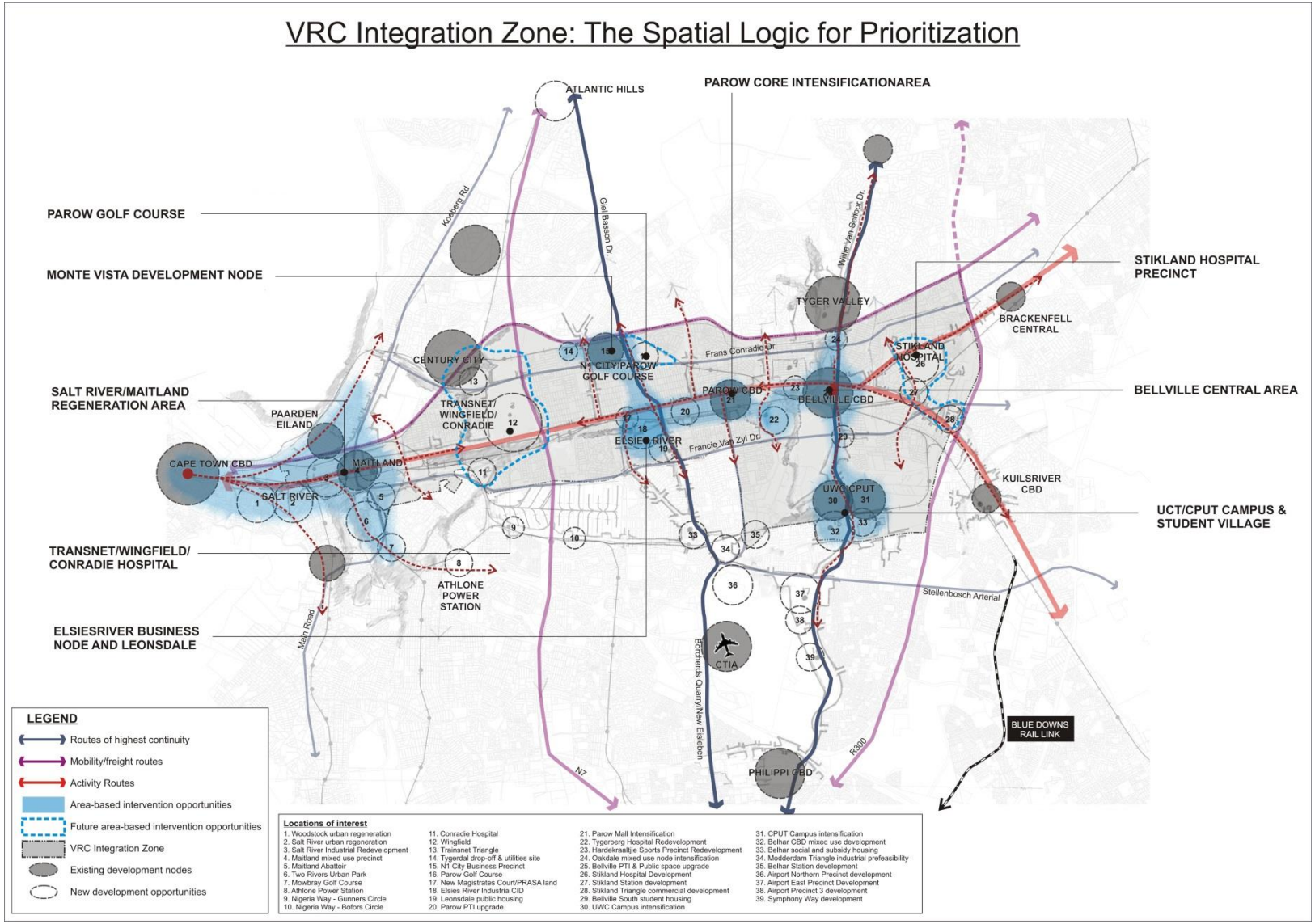


Diagram 12: Metro South East Spatial Structure

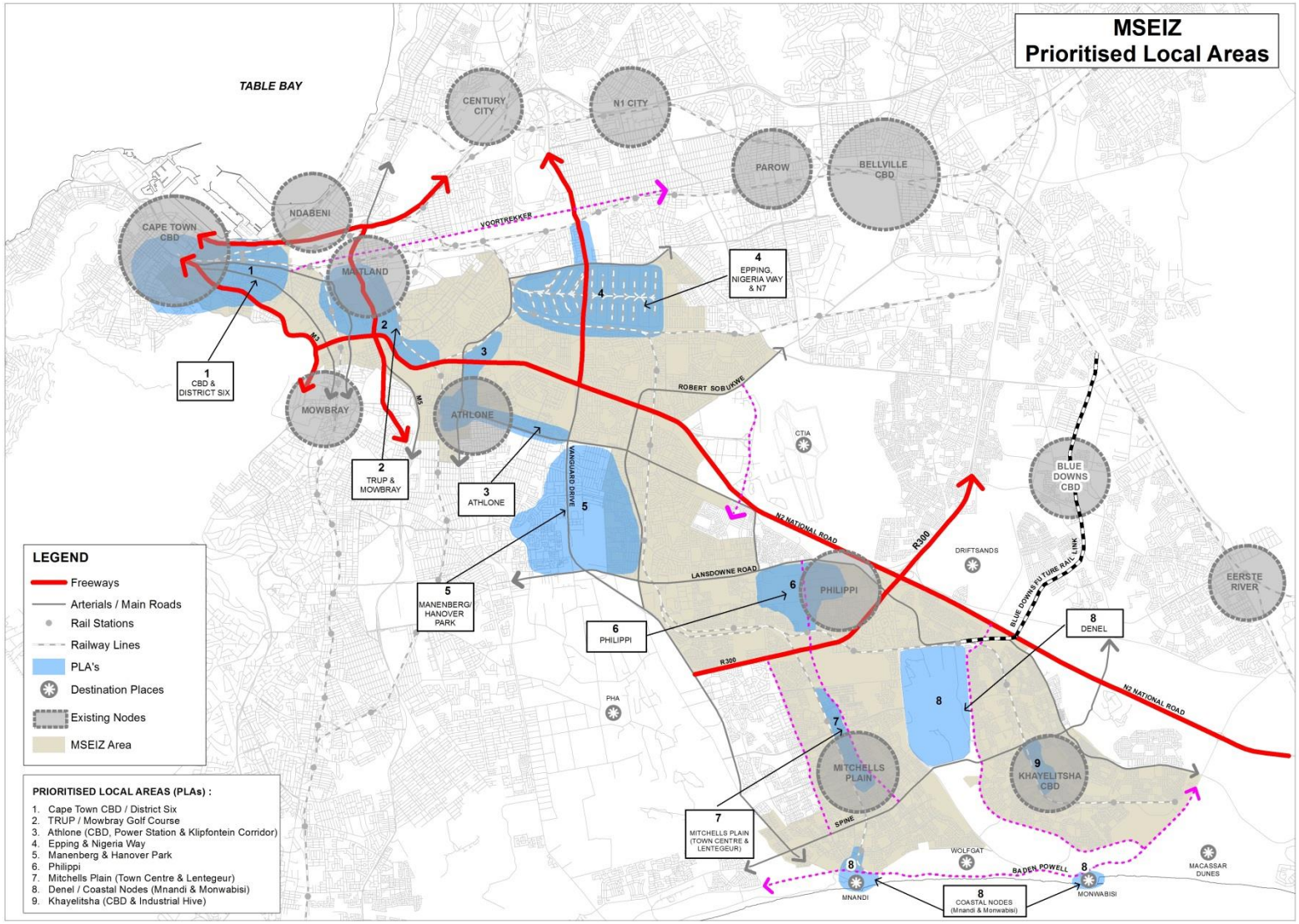


Table 2: Voortrekker Road Integration Zone: Prioritised Local Areas

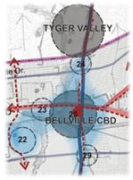
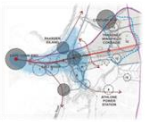
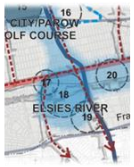
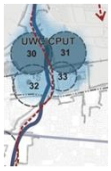
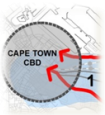
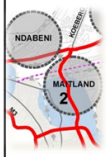
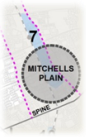
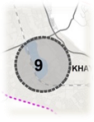
PLA 1	PLA 2	PLA 3	PLA 4	PLA 5	PLA 6	Potential PLA 7	Potential PLA 8
Bellville	Salt River/ Maitland	Elsies River	Parow	UWC/CPUT	N1 City	Transnet/ Wingfield/ Conradie	Stikland Hospital
							
Enhancing existing Infrastructure and addressing Urban Management challenges	Bolstering Private-Public Partnerships and supporting social housing initiatives	Promoting subsidised housing initiatives and enhancing the public environment	Upgrading existing public transport facilities and enhancing the urban environment as part of the Mayoral Urban Regeneration Programme (MURP)	Private investment at Belhar CBD and housing interventions in the form of student accommodation and social housing.	Implementation of BRT routes and prefeasibility studies for potential redevelopment initiatives	Unlocking action: Land release/ assembly	Unlocking action: Land release/ assembly

Table 3: Metro South East Integration Zone: Prioritised Local Areas

PLA 1	**PLA 2**	**PLA 3**	**PLA 4**	**PLA 5**	**PLA 6**	**PLA 7**	**PLA 8**		**PLA 9**
Cape Town CBD / District 6	**Two Rivers Urban Park (TRUP)**	**Athlone (power Station / CBD) Klipfontein Corridor,**	**Epping: Nigeria Way & / N7)**	**Manenberg / Hanover Park)**	**Philippi**	**Mitchells Plain**	**Denel**	**Coastal Nodes**	**Khayelitsha**
									
CT CBD: office, commercial and limited residential, unblocking / supporting existing TOD projects	Facilitate: Mixed use dev. : residential, recreation and commercial,.	Facilitate: Mixed use node , Regeneration : suburban CBD/town centre and "Main Road"	Facilitate: Mixed use dev.: residential, recreation and commercial, next to station, support existing industrial	Regeneration : Existing suburbs and town centres	Facilitate : Industrial, limited commercial and residential node	Regeneration : Suburban CBD/town centre	Facilitate: Potential future limited mixed use node (residential and commercial) and conservation	Facilitate: resort with residential & limited commercial development	Regeneration : suburban CBD/town centre

B2.1 Regulatory Approaches to Development Facilitation

An increasing emphasis is being placed on mechanisms and tools available to the City to support development within the Integration Zones and the City more broadly.

There are a number regulatory initiatives that are in place or in and advanced stage of implementation that are directly impacting on the local area planning and "ease of doing business" within the Integration Zones. These are considered in turn in the following sub-sections:

- **Urban Development Zones**: a SARS / City initiative premised on tax incentives within specific city precincts linked to urban renewal and reinvestment.
- **Public Transport Areas Zones 1 and 2**: a City initiative that seeks to reduce parking standards in areas of the City supported by existing or future public transport networks and infrastructure.
- **Proactive Land Use Applications**: A City initiative to widen the scope of permitted activities in terms of the development Management scheme (DMS).
- **Overlay Zones**: A City initiative within the scope of the DMS applying a development rule which may less restrictive than the base zoning within a prescribed area.
- **Precinct Plans / Specialist studies**: City initiatives to direct planning and investment policy within local precincts.
- **Restructuring Zones**: City and Social Housing regulatory authority (SHRA) governed initiative to support the allocation of the Restructuring Grant for the purposes of Social Housing.
- Environmental and Heritage Legislation.

B2.1.1 Urban Development Zone (UDZ)

Introduced in 2003, the aim of the UDZ is to stimulate private sector-led residential and commercial development in inner-city areas with developed public transport facilities by means of a tax incentive administered by SARS.

The tax incentive is based on an accelerated depreciation allowance on the costs of buildings erected, added to, extended or improved within the UDZ as per the following criteria:

- erection, extension or improvement of or addition to an entire building;
- erection, extension, improvement or addition of a part of a building representing a floor area of at least 1,000 m^2;
- erection, extension or improvement of or addition to low-cost housing; and / or
- purchase of such a building or part of a building directly from a developer.

When the UDZ incentive was first introduced in 2003, the City of Cape Town demarcated an area of 551ha in the Cape Town CBD, which extended through Woodstock, Salt River, Observatory and Mowbray including the western sections of Voortrekker and Klipfontein Roads, as well as 78ha of the Bellville CBD.

In 2013 extensions of the delineation of the City's UDZ further benefited both Integration Zones and extended the provisions of the designation until 2020.

From Buitengracht Street in the Cape Town CBD, the UDZ extends eastward and includes the following subareas within the MSEIZ:

- Cape Town CBD (portion);
- Woodstock;
- Salt River;

- Observatory;
- Mowbray;
- Greater Athlone; and
- Gatesville.

Within the VRCIZ two areas were incorporated including 83ha extending from Bellville to Parow, and 42ha in Maitland. These complemented the initial Bellville designation.
The TOD Strategic framework recognises the need for pro-active planning approaches to accelerate development in strategic precincts.

The City has implemented a number of regulatory approaches linked to the Development Management Scheme to support such objectives including: the introduction of Public transport Zones; Proactive Land Use Applications and Overlay Zones.

B2.1.2 Public Transport Areas (PT 1 / PT2)

Recognising the scale and impact of the IPTN and the positive impacts afforded by the existing and future public transport in reducing car-based trips to developments the City's Development Management System (DMS) facilitates reduced minimum parking requirements in demarcated PT1 and PT2 areas.

The criteria selected to determine PT1 and PT2 areas were largely related to proximity of public transport, specifically the rail and MyCiti bus network.

Key assumptions and drivers of the integration of the PT1 and 2 Areas in to the DMS included:

- Establishing a routine planning regulatory response to reduce the need for applicants to apply for departures from conventional parking ratios. NB: This does not preclude applications for reductions in excess of those determined via the PT1 / 2 status.

- Encouraging public transport use as an alternative to private car use and recognising that the need for parking is reduced where trips conventionally made by car are likely to shift to public transport and NMT (non-motorised transport).

- Acknowledging that parking reductions would be most viable in locations where the public transport system provides for (or will be provided in the short time) and provide an attractive alternative to the car.

- Recognising that the demarcation of PT1 and PT2 effectively bestows additional development rights to designated land parcels and that these rights are dependent on the long-term commitment capital and operational investment in public transport systems by the City and National Government (PRASA and BRT subsidies).

PT2 areas are drawn at a 400m radius from the centre of the public transport facility. Chapter 15 of the city's approved Municipal Planning By-Law states: "*PT1 areas refer to areas where the use of public transport is promoted, but where the City considers the provision of public transport inadequate or where the use of motor vehicles is limited.*"

In PT1 areas this distance is extended to at least 800m. The MPBL states: "*PT2 areas refers to areas where the use of public transport is promoted and the City considers the provision of public transport good, or where the use of motor vehicles is very limited.*"

Minimum off-street parking requirements for PT1 areas for "Main Dwelling House" (SR1 Zoning) are reduced from 2 to a single bay and are exempted in PT2 area. Parking is exempt in both PT1 and 2 areas in SR2 Zoned properties.

Other land uses examples and implications of PT designation for commercial zoned are illustrated in ***Table 4.***

Diagram 13 and ***Table 5*** reflect the spatial locations of all PT1 and @ zones with an emphasis placed on those in the IZs.

Land Use	Standard Areas	PT1 Areas	PT2 Areas
"Main Dwelling House" (SR1 Zoning)	2 bays per dwelling unit (1 bay per dwelling for erven < 350 m2)	1 bay per dwelling unit	Nil
"Main Dwelling House" SR2 Zoned properties	1 bay per dwelling unit (Nil per dwelling for erven < 100 m2)	Nil	Nil
Shops (excluding supermarket)	4 bays per 100 m² GLA	2 bays per 100 m² GLA	1 bay per 100 m² GLA
Offices	4 bays per 100 m² GLA	2.5 bays per 100 m² GLA	1 bay per 100 m² GLA
Conference centre	6 bays per 10 seats	4 bays per 10 seats	2 bays per 10 seats

Table 4: Extract of Land Use and Parking Standards by Public Transport Areas Designation

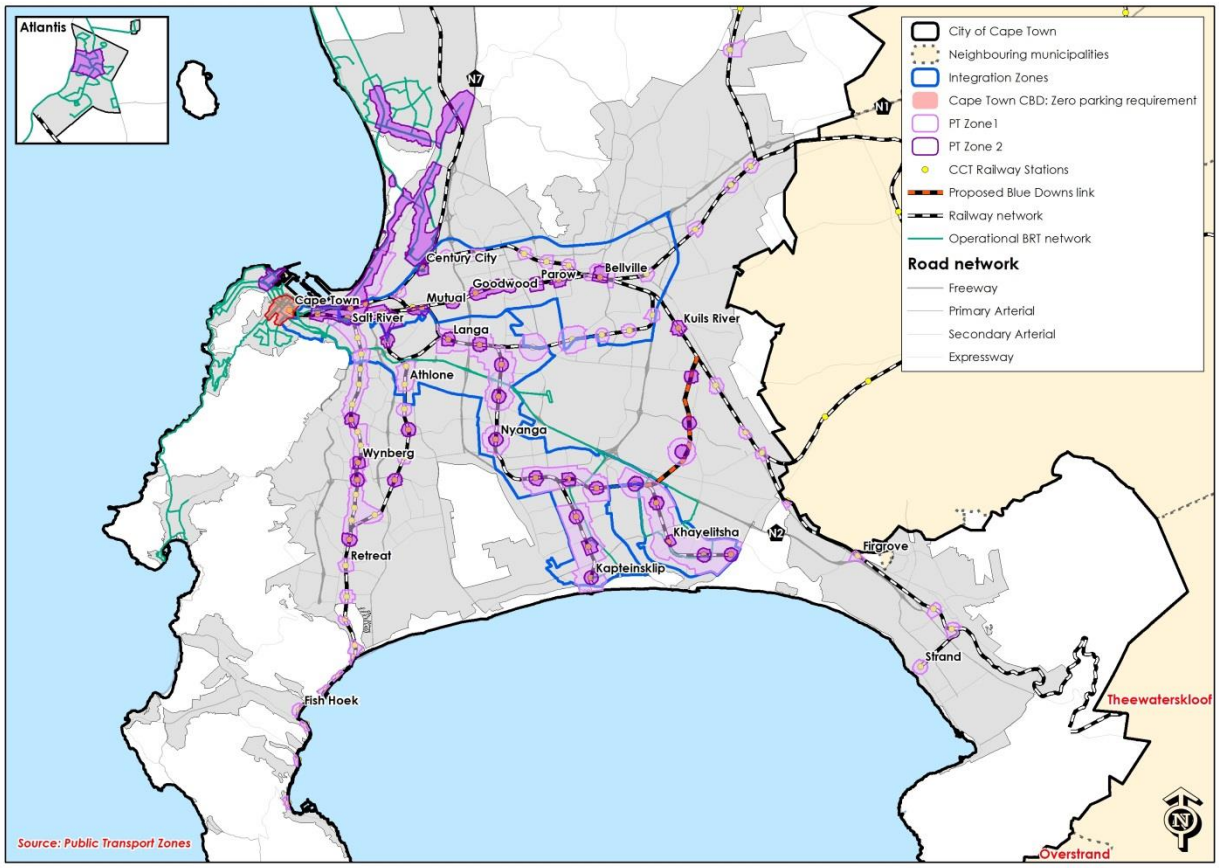


Diagram 13: PT1 and PT2 Designations

Metro South East	Voortrekker Road
Athlone	Acacia Park
Bonteheuwel	Avondale
Chris Hani	Bellville
Esplanade	Century City & Acacia Park
Hazendal	De Grendel
Heideveld	Elsies River, Vasco & Goodwood /
Khayelitsha	Goodwood, Vasco & Elsies River
Kuyasa	Kentemade
Langa	Maitland & Ndabeni
Lentegeur	Monte Vista
Mandalay	Mutual & Woltemade/ Woltemade & Mutual
Mitchells Plain	Oosterzee
Mowbray	Parow
Netreg/ Netreg 2	Stikland
Nolungile	Thornton
Nonkqubela	Tygerberg
Nyanga	Ysterplaat
Observatory	
Philippi	
Pinelands	
Salt River	
Stock Road	
Woodstock	
OTHER: Atlantis; Belhar, Blue Downs, Brackenfell, Cape Town, Century City, Claremont, Crawford, Diep River, Eikenfontein, False Bay, Firgrove, Fisantekraal, Fish Hoek, Glencairn, Harfield Road, Heathfield, Kalk Bay, Kapteinsklip, Kenilworth, Killarney, Du Noon & Usasaza, Kraaifontein, Kuils River, Lakeside, Lansdowne, Lavistown, Melkbosstrand, Mfuleni, Muizenberg, Neptune & Section, Newlands, Ottery, Paarden Eiland, Pentech, Plumstead, Postdam to Du Noon, Retreat, Rondebosch, Rosebank, Royal Ascot & Sunset Beach, Sandown, Porterfield & Table View, Sandrift, Phoenix & Omuramba, Serepta, Simon's Town, South Field, St James, Steenberg, Steurhof, Sunny Cove, Table View, Grey, Janssens & Wood, Turf Club, Montagu & Refinery, Unibell, Waterfront, Wetton, Wimbeldon, Wittebome, Woodbridge & Milnerton, Wynberg, Zoar Vlei & Lagoon Beach	

Table 5: Integration Zone PT Designations

B2.1.3 Proactive Land Use Application

The City has successfully obtained land use approval to widen the scope of permitted activities in terms of the zoning scheme in Langa, one of the oldest townships in Cape Town and a designated PT Zone.

This pilot approach to proactive rezoning of precincts / properties will enable businesses such as restaurants and guest houses to operate lawfully in the Langa Quarter precinct, home to a responsible tourism project driven by iKhaya le Langa, a non-profit organisation based in the area. The proactive land use application was initiated by the City, with the permission of the owners and the support of iKhaya le Langa, and allows owners to exercise certain consent use rights in Single Residential 2 (SR2) zoned properties.

Initial investigations of the take up of development rights in the VRC have indicated a significant underutilisation of land use rights within the corridor generally. In a number of areas amendments to existing rights are required for further development to take place. A further investigation of underutilised rights and trends around applications would form the basis of a proactive rights amendment to facilitate development and the urban form considered appropriate for the location within the VRC.

B2.1.4 Overlay Zones

Two overlay zones are currently being investigated and will be applicable to identified land in the MSE IZ.

The first is the Third Dwelling Overlay Zone that makes provision for up to three dwellings to be a primary right in Single Residential zoned erven. The objective of this initiative is to encourage private property owners to contribute to the provision of affordable rental housing stock household via second and third dwelling land use rights on designated erven within the Overlay Zone.

The second is the Small and Micro Enterprises (SME) Overlay Zone that makes provision for the development of small and micro enterprises within the Single Residential (SR)1 and 2 Zones along identified activity routes / streets and structuring routes.

The latter allows for a similar scope and scale of rights as considered in the Langa proactive land use application project. The proposals are presently circulating to the public for comment.

B2.1.5 Restructuring Zones

The need for affordable rental accommodation in relation to the emerging economic and public transport networks and infrastructure is well recognised in the City's strategy and operations. Typically, these would require a differentiated approach to residential densities and typologies and supported by the Restructuring Grant applicable to Restructuring Zones.

Table 6: Gazetted Restructuring Zones

	SPATIAL AREAS (AS PER GAZETTE)	IZ	KEY SOCIAL / ECONOMIC NODE	RAIL	ROAD / IRT INFRASTRUCTURE
1	CBD and Surrounds (incl. Salt River, Woodstock and Observatory)	MSE	CBD	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road
2	Cape Flats (Athlone and surrounds, Pinelands-Ottery)	MSE	Ahtlone, Gatesville, Pinelands	Cape Flats Metro line	Jan Smuts, Klipfontein, Landsdowne
3	Southern (Strandfontein, Mitchells Plain, Mandalay and surrounds)	MSE	Mitchells Plain Town Centre	Mitchells Plain Metro Line	AZ Berman, Spine Road, and Morgenster
4	Northern Central (Belville, Bothasig, Goodwood and surrounds)	VRC	Belville, Epping	Metro Line	N1 and Voortrekker Road
5	Southern near Claremont, Kenilworth, Rondebosch		CBD, Kenilworth	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road M3 and M5
6	Southern Central (Westlake-Steenberg)		Westlake,Blue Route, Capricorn	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road M3 and M5
7	Northern near Milnerton		CBD	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road M3 and M5
8	South Eastern (Somerset West, Strand, Gordons Bay)		Somerset West	Somerset West-Belville Metro line	Somerset West Main Road, T2 and Broadway
9	Eastern (Brackenfell, Durbanville, Kraaifontein, Kuils River)		Kraaifontein	Belville-Cape Town Metro Line	Old Paarl Road, Van Riebeeck Street, Carl Cronje Drive, Brighton Road
10	Far South (Fish Hoek, Simonstown)		Fish Hoek	Simonstown Metro Line	Main Road
11	Northern (Parklands and surrounds)		Montague Gardens, Killarney Industrial and Century City	IRT on R27	R27 Road

The challenge remains to identify and secure a critical mass of land and project-ready initiatives with the requisite institutional support quantum of yield, mix of land uses and quality of urban design.

Well-located parcels of municipal land supportive of rental, mixed income and higher density developments have been made available to social housing partners and banks to build homes with bond finance. A project is underway with the City, National Association of Social Housing Organisations (NASHO) and the Development Action Group (DAG) to use a precinct based approach to affordable housing led urban regeneration in the Salt River / Woodstock area. This area has been selected as it contains a number of proposed affordable housing projects.

A number of projects located on State Land (considered in Section B3) support this approach and are located within the IZs, for example: Athlone Power Station, Conradie Hospital, Two Rivers Urban Park and Wingfield. Wingfield is the largest redevelopment opportunity within the VRC.

The Wingfield site is owned by National Government and partially utilised by the Defence Force. The City has made representation to the State President requesting redevelopment of the site. The matter has been referred to the Housing Development agency (HDA) for further investigation.

Stikland as another example occupies a very large piece of land within the VRC. While the hospital very much operational, large portions of the site are under-utilised and present a redevelopment opportunity. Provincial Government, as the land owner, needs to develop a position on the future of the site and the potential development of underutilised portions.

The potential development yield from these sites is considerable, and because of their extent, there could be opportunity for cross-subsidisation of income groups. The IZs also contain considerable opportunity for the conversion of existing buildings to residential units.

B2.1.7 Precinct Plans / Specialist studies

Bellville Integrated Transport Land Use Plan (BITLUP): work is currently underway to develop an integrated land use and transport plan for the Bellville area recognising that the existing Bellville station precinct is the second busiest in the Metropolitan area. The scope of works for this project is premised on:

- Providing an integrated analysis and assessment of the functioning of transport and land use systems in the area (inclusive of investigation into bulk services);
- Addressing the demand and supply factors related to the transport system;
- The development of an implementation plan for the appropriate sequencing of investment in transport infrastructure (among other services), the necessary land use/transport mechanisms, as well as the institutional and investment instruments that will enable the development vision for the Bellville Area.

This plan will resolve a number of transport infrastructure questions including the interface between pedestrians, vehicular traffic and trading and provide guidance to future land use in this Prioritised Local Area.

Elsieskraal River floodline Study: the floodlines associated with the Elsieskraal River impact a number of development opportunities in close proximity to transport interchanges and railway stations – the largest of which, Conradie Hospital Site is one of the pipeline projects considered in Section C. A study aimed at identifying flood mitigation measures will be undertaken.

B2.1.6 Environmental and Heritage Legislation

The recent delisting of a number of key activities within the Urban Edge requiring Environmental Impact Assessments (EIAs) has reduced the regulatory "red-tape" associated with the National Environmental Management Act, Act 107 of 1998 (NEMA).

Heritage considerations produce uncertainty due to the age of buildings and a lack of clarity regarding their preservation "worthiness". To address this constraint and ambiguity it has been recommended that a strategic heritage impact assessment should be undertaken for the VRC to clearly identify which structures and urban forms have heritage value and should be retained and which can be redeveloped.

B2.2 Regulatory Approaches to Tenure and Formalisation

There are a number of policy and practical initiatives being employed to advance tenure security within the City. The following examples are indicative of commitments made to support accelerated and efficient transfer of tenure to individual households benefiting from upgrading initiatives.

B2.2.1 Tenure certificates

In partnership with the Violence Prevention through Urban Upgrading (VPUU) non-profit company, the City has issued Tenure Certificates to 80% of the 6,480 families in Monwabisi Park (MSEIZ) prior to the implementation of an upgrading project. The certificates have been introduced to enhance the sense of security of tenure enjoyed by the resident households on a GIS registered plot. This confirms the size and configuration of plots and builds community ownership of the project as well as preventing further unplanned densification which can compromise the deliverability of the project.

The tenure certificate does not constitute a legal document and is not a title deed. Once the land use application is approved, a process of sub-division can begin with the end goal being the handover of title at as early a stage as possible. Title can be transferred from the City to the benefitting individual upon receipt of a serviced site and wet core. This allows top structure development as soon as the owner has the resources to do so.

This approach to tenure reform and progressive ownership is being discussed with other NGO partners like Community Organisation Resource Centre (CORC) to plot existing "erven" electronically and upload onto a GIS application for the purposes of widening the scope and reach of the programme.

B2.2.2 Leasehold to Freehold Title Conversion

Under a directive from the State Attorney's Office leasehold titles will be converted to freehold titles in all former African townships directly benefiting existing leasehold tenants. Within the City this directive will impact on 2,400 serviced-site plots that are still to be finalised and 4,500 houses registered in the name of the National Housing Board.

B2.2.3 Issuing of Title Deeds on Project Completion

Provincial Government policy guarantees the delivery of Title Deeds upon future project completion. To address historical backlogs in issuing Title Deeds the City is drafting policy to guide the rectification program, and has signed a co-operation and financing agreement with the *Free-market Foundation*.

B3 Project Preparation

Tables 7 and 8 indicate the linked projects, their status and projected / indicative yields associated with each of the IZs. The sources of this material are:

- the City's 2015/16 IDP
- KPMG report supporting the Cities Support Programme named "Catalytic Projects in Cape Town that Support Transit Orientated Development."
- Public Transport Network Grant Business Plan submission.

Diagram 14 illustrates the spatial location of these projects. Arranged alphabetically in the tabular format, the colour coding is for ease of reference in relation to a particular source / driver of a project namely: TOD Game Changer; Human Settlement or TCT project.

Table 7: VRCIZ Property Projects and Status

Num	Project Name	Programme	Status	Indicative Commercial Yield	Indicative Residential Yield
1	Belhar CBD Redevelopment	TOD Game-Changer Catalytic Projects	Feasibility		2000
2	Belhar Pentech Infill	Human Settlement Project Schedule 2015/16	Construction stage	n/a	340
3	Belhar School Sites	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
4	Belhar Social Housing	Human Settlement Project Schedule 2015/16	Construction stage	n/a	629
5	Bellville	Public Transport Interchange Facilities	TCT	n/a	n/a
6	Bellville Paint City/PTI	TOD Game-Changer Catalytic Projects	Need Identification	6733	730
7	Conradie Hospital	TOD Game-Changer Catalytic Projects	Pre-Feasibility	98230	4226
8	Elsies River Housing Development	Human Settlement Project Schedule 2015/16	Planning stage	n/a	1200
9	Glenhaven Social Housing	Human Settlement Project Schedule 2015/16	Planning stage	n/a	416
10	Inner City	Public Transport Interchange Facilities	TCT	n/a	n/a
11	Kensington infill	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
12	Maitland Abattoir	TOD Game-Changer Catalytic Projects	Need identification	95230	n/a
13	Maitland Social Housing	Human Settlement Project Schedule 2015/16	Planning stage	n/a	306

Num	Project Name	Programme	Status	Indicative Commercial Yield	Indicative Residential Yield
14	Parow	Public Transport Interchange Facilities	TCT	n/a	n/a
15	Parow Golf Course	TOD Game-Changer Catalytic Projects	Need Identification	64800	2295
16	Salt River Market Social Housing	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
17	Salt River social housing	TOD Game-Changer Catalytic Projects	Pre-Feasibility	1000	279
18	Salt River, Foundry Road	Human Settlement Project Schedule 2015/16	Planning stage	n/a	200
19	Stikland Hospital	TOD Game-Changer Catalytic Projects	Need Identification	83856	4717
20	Stikland Triangle	TOD Game-Changer Catalytic Projects	Need Identification	47107	n/a
21	Tygerberg Hospital	TOD Game-Changer Catalytic Projects	Pre-Feasibility	n/a	7500
22	Wingfield	TOD Game-Changer Catalytic Projects	Need Identification	460400	17770

Table 8: MSE Property Projects and Status

Num	Project Name	Programme	Status	Indicative Commercial Yield	Indicative Residential Yield
23	8ste Laan	Human Settlement Project Schedule 2015/16	Construction stage	n/a	540
24	Athlone CBD redevelopment (cnr Aden & Birwood)	TOD Game-Changer Catalytic Projects	Pre-Feasibility	14800	250
25	Athlone Power Station	TOD Game-Changer Catalytic Projects	Need Identification	303895	1177
26	Backstage, Erf 36638	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
27	Beacon Valley Infill	Human Settlement Project Schedule 2015/16	Planning stage	n/a	1673
28	BM Section	Human Settlement Project Schedule 2015/16	Planning stage	n/a	4233
29	Bonteheuwel Infill	Human Settlement Project Schedule 2015/16	Planning stage	n/a	407
30	Braaf/Sheffield	Human Settlement Project Schedule 2015/16	Planning stage	n/a	150
31	BRT Relocation	Human Settlement Project Schedule 2015/16	Planning stage	n/a	75
32	District 6 social housing	TOD Game-Changer Catalytic Projects	Construction	55118	3239

Num	Project Name	Programme	Status	Indicative Commercial Yield	Indicative Residential Yield
33	Green Point Phase 3	Human Settlement Project Schedule 2015/16	Planning stage	n/a	361
34	Guguletu Hostels	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
35	Guguletu Infill (Erf 8448/Mau-Mau)	Human Settlement Project Schedule 2015/16	Construction stage	n/a	1071
36	Harare Infill	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
37	Hazeldene Services	Human Settlement Project Schedule 2015/16	Construction stage	n/a	Services Installation
38	Hazendal Infill, Bokmakierie Sites	Human Settlement Project Schedule 2015/16	Construction stage	n/a	153
39	Heideveld/Duinefontein Road	Human Settlement Project Schedule 2015/16	Construction stage	n/a	738
40	Highlands Drive Infill	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
41	Ilitha Park Infill	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
42	Kapteinsklip	TOD Game-Changer Catalytic Projects	Feasibility	21800	1200
43	Kapteinsklip	Human Settlement Project Schedule 2015/16	Planning stage	n/a	1631
44	Kewtown Infill CRU	Human Settlement Project Schedule 2015/16	Planning stage	n/a	tbd
45	Khayelitsha 28804	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
46	Khayelitsha Business District expansion.	TOD Game-Changer Catalytic Projects	Programme Definition	10000	n/a
47	Khayelitsha CBD	Human Settlement Project Schedule 2015/16	Construction stage	n/a	358
48	Khayelitsha Industrial Park (proposed)	TOD Game-Changer Catalytic Projects	Programme Definition	59101	n/a
49	Khayelitsha, Erf 28019 & 29155	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
50	Langa CRU (Hostel Redevelopment)	Human Settlement Project Schedule 2015/16	Construction stage	n/a	463
51	Lentegeur	Public Transport Interchange Facilities	TCT	n/a	n/a
52	Lentegeur social housing	TOD Game-Changer Catalytic Projects	Pre-Feasibility	1000	982
53	Lotus Park	Human Settlement Project Schedule 2015/16	Planning stage	n/a	1631

Num	Project Name	Programme	Status	Indicative Commercial Yield	Indicative Residential Yield
54	Mahama Infill	Human Settlement Project Schedule 2015/16	Next 1-5 years	n/a	tbd
55	Makhaza	Public Transport Interchange Facilities	TCT	n/a	n/a
56	Manenberg Infill - The Downs	Human Settlement Project Schedule 2015/16	Construction stage	n/a	587
57	Monwood	Human Settlement Project Schedule 2015/16	Planning stage	n/a	2700
58	Mowbray golf club	TOD Game-Changer Catalytic Projects	Need Identification	17545	2075
59	Nolungile PTI	Public Transport Interchange Facilities	TCT	n/a	n/a
60	Nonkqubela	Public Transport Interchange Facilities	TCT	n/a	n/a
61	Nyanga	Public Transport Interchange Facilities	TCT	n/a	n/a
62	Nyanga Upgrade	Human Settlement Project Schedule 2015/16	Construction stage	n/a	2070
63	Phola Park	Human Settlement Project Schedule 2015/16	Planning stage	n/a	640
64	Pine Road	Human Settlement Project Schedule 2015/16	Planning stage	n/a	180
65	PRASA Relocation	Human Settlement Project Schedule 2015/16	Planning stage	n/a	1370
66	Samora Machel	Public Transport Interchange Facilities	TCT	n/a	n/a
67	Sheffield Road	Human Settlement Project Schedule 2015/16	PGWC lead	n/a	500
68	Sweethome	Human Settlement Project Schedule 2015/16	Planning stage	n/a	3745
69	Sweethomes IDA	Human Settlement Project Schedule 2015/16	Construction stage	n/a	20
70	Thabo Mbeki	Human Settlement Project Schedule 2015/16	Construction stage	n/a	Flood Mitigation
71	Thambo Square	Human Settlement Project Schedule 2015/16	Construction stage	n/a	180
72	Two Rivers Urban Park	TOD Game-Changer Catalytic Projects	Pre-Feasibility	386323	6278
73	Valhalla Park Integrated Housing Project	Human Settlement Project Schedule 2015/16	Planning stage	n/a	777
74	Vuyani PTI	Public Transport Interchange Facilities	TCT	n/a	n/a

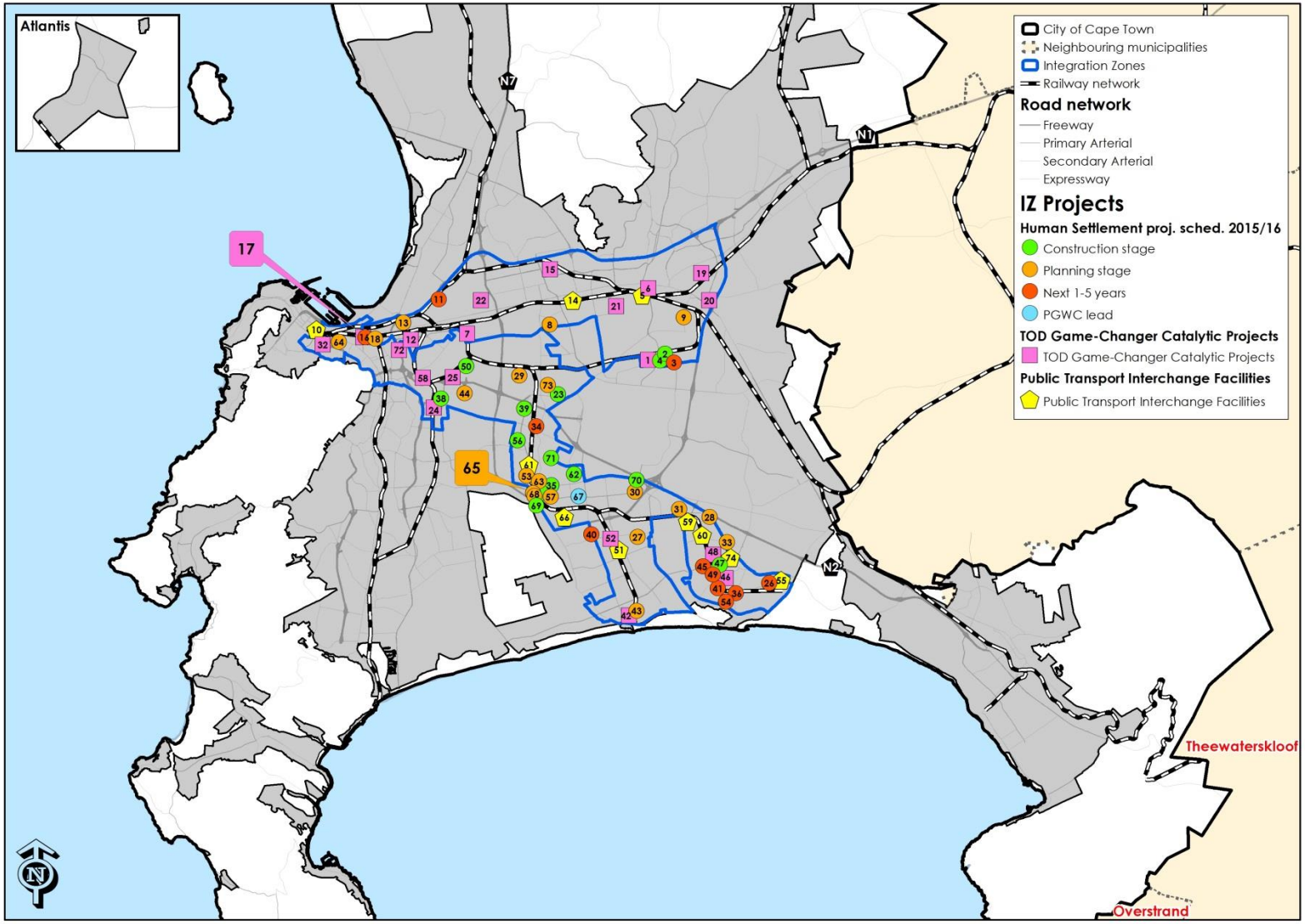


Diagram 14: Spatial location of projects located within the Integration Zones

B4 Institutional Arrangements and Operating Budget

B4.1 VRCIZ Engagement Process

B4.1.1 Stakeholder Engagement Process

An engagement process was undertaken during the second and third quarters of 2015. The purpose of the engagements was to test understanding of the operation of the VRC, understand perceptions of the VRC and test and identify possible interventions by:

- Presenting background information obtained through the integration zone context and performance assessment.
- Presenting draft strategy interventions identified.
- Identifying barriers to investment and development.
- Identifying interventions and investment by the City that would encourage public transport supportive development.
- Sharing knowledge regarding potential investment in the VRC that may affect the planning of infrastructure or service delivery requirements in future.

Additionally, these engagements acted as a first, low profile marketing exercise for the VRC Strategy and Investment Plan and the Greater Tygerberg Partnership (GTP).

The aim of the engagement process was not to follow a rigorous, all-encompassing public participation exercise but rather to engage with targeted individuals and organisations that would have detailed information on the VRC – specifically in their areas of expertise.

Accordingly, the following groups were engaged:

- City of Cape Town
 - Political leadership (EESP, TOD Working Group, Sub-councils and MAYCO)
 - Line departments through project management team
- Banks
- Land owners / property managers
- Developers
- Brokers
- Business operating in area
- Tertiary education institutions
- Public sector
 - PRASA – Land Use and Planning Group
 - Transnet

The engagements provide enlightening with the following key themes emerging repetitively from various people and organisations:

- Crime and grime is a considerable disincentive to investment, not only because it makes an area difficult to work in and reduces market potential and confidence but the unpredictable nature of urban decline increases the nature and frequency of risks.

- The development environment is particularly financially constrained and will continue to be so for some time. Higher income residential demand is largely met within existing residential areas and developments. However, there is significant demand for lower and middle income residential development (particularly rental) which will take advantage of the VRC's proximity to jobs and public transport. To this end much of the expected development will be residential and TOD in nature. This places an emphasis on the precincts surrounding public transport interchanges.

- Within a financially constrained development environment and when delivering a product to the lower end of the income spectrum, minor change to development variables have a significant impact on the viability of initiatives. The variables noted via the engagements that were common themes included:

 - A reduction in parking standards to off-set the relative costs of parking requirements and minimise the reduction in leasable space[3].
 - Developer contributions.
 - Incentives such as the UDZs are being increasingly utilised.
 - Reducing delays in administration to reduce capital costs.
 - Any intervention that improves certainty and reduces risk.

- The importance of adequate infrastructure provision was constantly highlighted. The importance of infrastructure is that without it development or redevelopment cannot take place. Developers and users will go elsewhere rather than attempt to find solutions to infrastructure constraints. Tied to the provision of infrastructure was the recommendation that the phasing of the project should be considered carefully to ensure that infrastructure is available before significant marketing takes place to ensure interest is not lost due to an inability to develop.

- Spatial focus was highlighted in a number of engagements i.e. focusing a limited number of focus areas that have the potential to respond to interventions. These can act as proof of concept and will help to market the programme and reduce resistance in other more complicated areas. A secondary point made around spatial focusing was the need for a commitment to reducing sprawl. The banks, particularly, highlighted the risks associated with sprawl. These risks relate to uncertainty within the investment environment and impacts of transport costs associated with sprawl on end users ability to afford rental / mortgage repayments.

B4.1.2 World Bank / Urban Land Institute Peer Review

During November 2014, in the early stages of the development of the VRCIZ Strategy and Investment Plan, the CSP made available the assistance of the World Bank and the Urban Land Institute (ULI) in the form of peer review panel to assess the work to date and assist with guiding the direction that the project should follow.

The scope of the review extended to:

- Reviewing the current project process and methodology for the VRC strategy.
- Considering what land use changes or other interventions could be catalysts for regeneration in the VRC context?
- Proposing public sector actions that could help leverage catalytic development and interventions?

The documentation from the peer review can be viewed via this link.

A summary of key Findings extracted verbatim from the report follow.

"This report begins with an overview of the panel's key findings, continues with a review of SPUD's process and methodology, and concludes with a discussion of potential strategies for regeneration and key areas for catalytic development.

[3] Investigations have indicated that some areas within the corridor have a surplus of parking whilst others have a deficit. Where development pressure is experienced or where the planning identifies the need for further development, parking strategies may need to be developed.

The panel recognizes the excellent planning represented by SPUD's efforts to date, both in general and specifically in its Voortrekker Road Corridor Integration Zone: Inception Report, Voortrekker Road Corridor Strategy, and Investment Plan Scope of Works, and the fact that the city sees great possibilities for future redevelopment in this area.

The panel completed a comprehensive review of SPUD's process and methodology to date and developed key feedback and recommendations (more specific recommendations and priorities are included in the conclusion of this report), including the following:

- *SPUD's diagnostic work is high quality, comprehensive, and technically sound.*
- *Additional market data and community input would add great value to the work already completed.*
- *It is not too early to plan and begin a community engagement process to help clarify goals and objectives, to solidify political support for the planning process, and to begin to generate some private sector confidence and enthusiasm about new development in the study area.*
- *The city-led planning process can be more simply and more effectively communicated to decision makers and to the public.*
- *It would be appropriate to begin building a framework for plan implementation.*
- *Close coordination should be ensured with similar planning efforts now underway for the Metro South East Integration Zone, the southeast corridor study.*

Partnerships are critical. Universities, major employers, and other public agencies at the federal and provincial levels, who often are major landowners and influence policy decisions, are important and should be included in the planning process. The major opportunity areas in the corridor, for which short-, medium-, and long-term development potential should be identified, are in Bellville, Tygerberg Hospital complex, and Wingfield."

A ULI Advisory Services Panel Report" Voortrekker Road Corridor Cape Town, South Africa November 10–13, 2014 2015 page 11

The Greater Tygerberg Partnership (GTP)[4]

The Greater Tygerberg Partnership has been established as a non-profit company that facilitates the partnerships and collaborative efforts between the private sector, civil society, academic institutions and all spheres of government within the Voortrekker Road Corridor and more broadly areas previously incorporated under the jurisdiction of the then Tygerberg Municipality.

The GTP vision is to facilitate the creation and sustained existence of a vibrant, thriving, desirable and value-adding economically prosperous area, inclusively and innovatively.

Activities and resources are allocated to various initiatives that target the following stakeholders:

Investors	• Receive information with regards to the performance of the area • Be informed about opportunities in the area • Gain access to research done about the area • Receive assistance with prefeasibility studies
Business owners	• Attend informative Business Breakfast sessions with industry professionals • Receive assistance with establishing business relationships • Receive assistance with research in the area • Request that GTP act as a lobbyist for the public to communicate with the on various issues • Make use of GTP's GIS capabilities that include: spatial analysis, detailed analysis using demographic data, built-in mapping capabilities, allow drill-down to local areas, analyse geographical buying behaviour based on product types and produce maps of specific areas

[4] Source: Text adapted from GTP website.

Students	• Apply to yearly internships in specific fields • Become involved in the upliftment of an area and in doing so gain valuable experience • Make use of our yearly student maps • Access information on available student accommodation in the area • Receive assistance and advice to host student events like pop-up skate parks • Take part in youth engagement programmes for school students
Building owners and developers	• Make use of GTP's GIS capabilities specifically development feasibility mapping for their own projects
Community members	• Make use of public spaces • Host community building events in partnership with GTP that include Open Streets events and Movie Nights • Take part in a healthy lifestyle through partnerships like the Planet Fitness-GTP bootcamp

C. INTERGOVERNMENTAL PROJECT PIPELINE

C1: Intergovernmental Pipeline

The City's last BEPP submission included a detailed rationale and classification of Catalytic Projects that addressed the original and supplementary 2015/16 BEPP guidelines. It also provided the foundation for future submissions and engagements with other public and private partners. ***Diagram 15*** conveys the following "Catalytic" categorisations:

- Catalytic Urban Development Projects (at-scale land assembly projects associated with the Integration Zones);
- Catalytic Human Settlements Projects (that responded to the criteria established by the NDHS and HDA for the purpose of the National Spatial Plan initiative);
- Catalytic Programmes (that respond to themes or localities broadly and include the Informal Settlement Programme and Mayoral Urban Regeneration Programme);
- Catalytic Infrastructure (including transportation infrastructure projects such as My Citi and PRASA's Blue Downs rail link and the Broadband roll out); and
- Catalytic Interventions (typically potential land initiatives that require extensive unlocking prior to any inclusion into a formal pipeline or capital funding budgets).

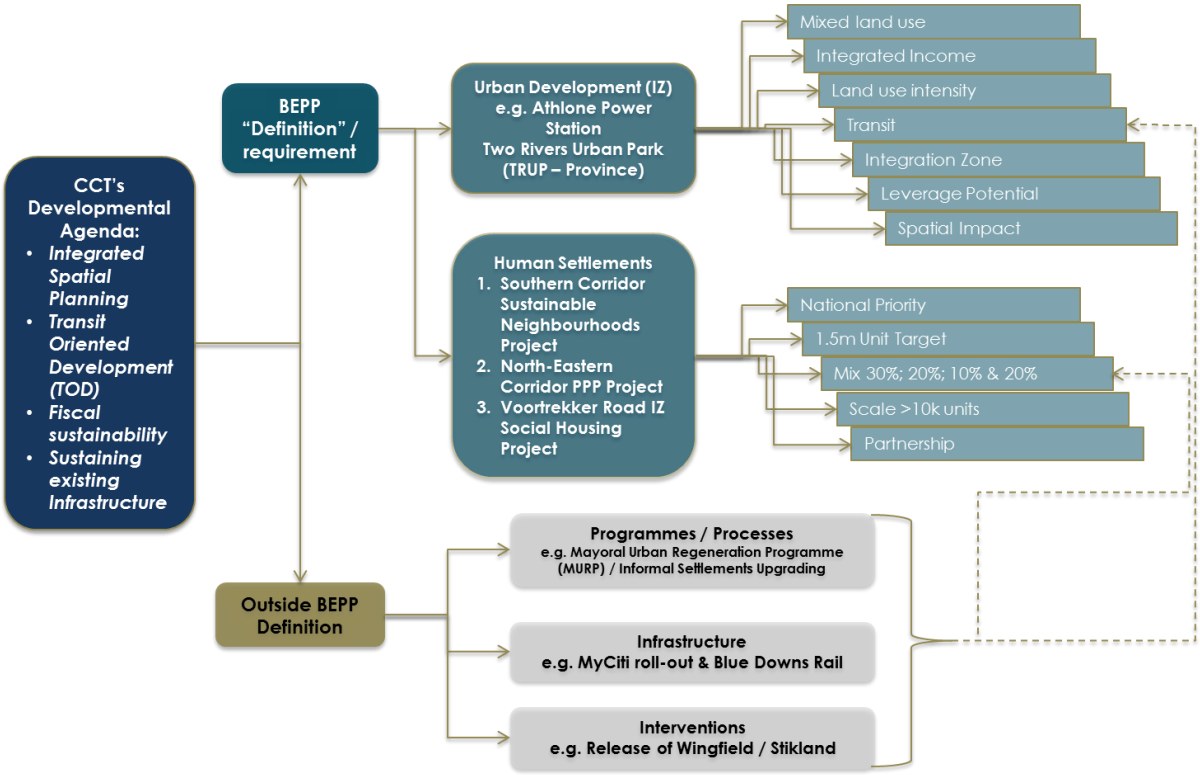


Diagram 15: Conceptual Categories of Catalytic Projects

A key consideration is how Cape Town's sign3ificant state owned property portfolio can be sequenced and developed to pursue fundamental changes to the city's urban structure and balance the wide ranging principles associated with TOD, economic and social development and financial sustainability. To assist in clarifying the approach the City, with technical assistance provided via the Cities Support Programme, has completed a process to specify Cape Town's multi-year urban development project pipeline in partnership with Provincial and National Government.

This work has been completed under the auspices of the City's Growth Management Working Group as well as its Transit Oriented Development (TOD) Working Group, supported by an Inter-Governmental Working Group (***Section C2***). Staff from a number of City and Provincial Departments identified "live" projects and / or land parcels that met broadly the scope of development envisaged by National Treasury's definition of catalytic projects as per BEPP Guidelines 2015/16-2017/18. Information, to the extent that it was available was then provided for the project / property.

A full report was prepared summarising summarises the methodology employed in assessing projects; a high level portfolio risk assessment; a data repository and recommendations from the process.

131 projects including Human Settlements projects were captured as part of data repository to support the initiative (***Diagram 16***). The City and Provincial Department of Human Settlements have agreed on a Human Settlements Project Pipeline that incorporates the projects submitted under the auspices of the NDHS Mega-Project initiative: namely the North-Eastern Corridor, the Voortrekker Road Social Housing Corridor; and the Southern Corridor (considered in more detail in ***Annexure B***): The implementation of this pipeline follows its own systems and processes and the working Group did not tamper with or prioritise these further.

Projects already far advanced in a disposal process and those in the Implementation stage (i.e. detailed design onwards) were not included. Similarly, projects of singular sector interest for example health and educational facilities, police stations, bulk infrastructure upgrades were not considered within this process.

The GIS information relating to these projects forming the basis of a single project repository can be downloaded via this link.

78 projects were initially scoped including known national landholdings representing catalytic property initiatives. These included projects such as Wingfield and Stikland that were "classed" as "Catalytic Interventions" as per the City's BEPP definition i.e. currently lack single-responsible coordinator / project manager and require a series of basic land assembly interventions.

To access the Treasury Specified Format for these projects, please follow this link.

Of the initial proposals, a prospective portfolio of 27 "Catalytic", TOD-aligned property development projects made a technical "cut" premised on the following criteria.

Eligibility Themes	Preliminary Criteria
BEPP guidelines Catalytic Urban Development Project	• Integrated, potential for mixed and intensified land uses • Significant impact on spatial form • Require infrastructure investment; blend of finance approaches; skills and stakeholder management
TOD:	• Transport adjacent (1,600m distance) • Inclusive (re: income) • Mixed use – contribute to the land use mix of the area (as indicated in TOD-C Modelling work) • Walkable • Transport supportive • Land use intensity
Spatial Transformation:	• Well located • Brings people close to work/ work close to people • Integrated income levels
Market opportunities	• Addresses critical market failure • Leverage private sector funding involvement/participation

Table 9: Eligibility Criteria Applied to Prospective TOD Property Development Projects

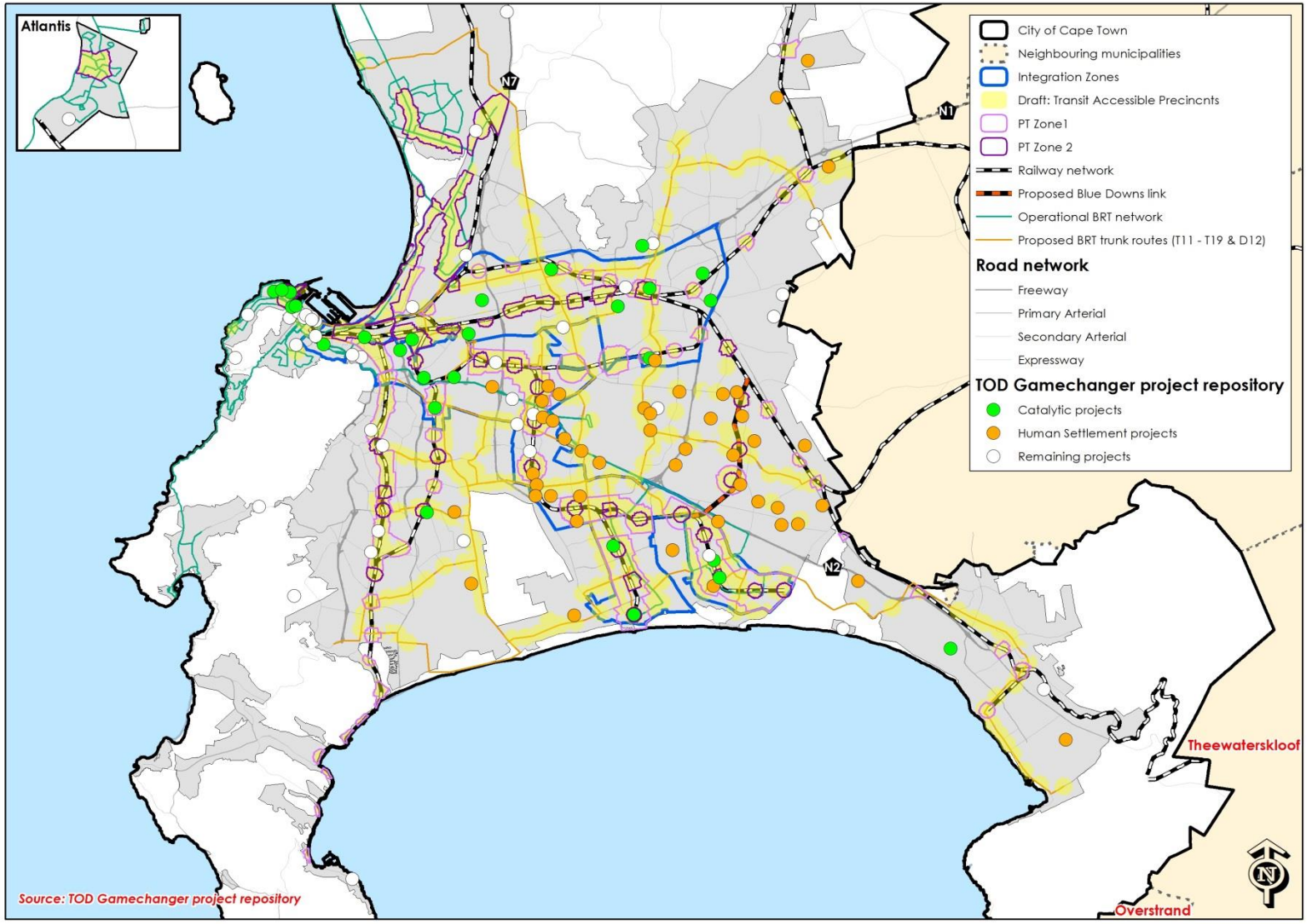


Diagram 16: Spatial Repository of all Considered Property Development Projects

The projects that made the technical "cut" based on these criteria indicated the following:

- A potential yield of 3,6 million m^2 of Gross Leasable Area (GLA) and in excess of 60 000 Dwelling Units (DU) based on high level, preliminary estimates.
- An opportunity to optimise resources and capacity across the local and provincial spheres of government
- An emphasis on consistent and efficient land preparation and packaging to yield results within the next 5-8 years.
- The need to clarify market capacity to absorb the prospective yields by committing to clear signalling and good timing of the supply of land into the market, removing risk and sustaining the market.
- A pipeline of spatially transformative projects reflective of TOD principles and design approaches.

NB: The projections and reflection of these assessments must be considered preliminary and in a number of cases information is not yet available.

These qualifying projects were further assessed in terms of i) estimated yield re: land use mix and bulk / units and ii) state of readiness.

Table 10 assesses these Catalytic Projects in relation to Spatial Targeting Initiatives namely:

- Integration Zone: (MSE / VRC established in support of the Urban Network Strategy and the targeting of the ICDG grant);
- Proximity to an ECAMP monitored node (a distance of 1km radius from industrial, commercial, or mixed use nodes monitored by the City's Economic Areas Management Programme);
- Prioritised Trunk routes of MyCiti;
- Transit Accessible Precinct (TAPS)(existing / future public transport infrastructure nodal points);
- Public Transport Zone 1 or 2 (existing rail / MyCiti trunk route locations where parking requirements have been significantly reduced);
- Restructuring Zones (Designated areas within the City where Restructuring Capital Grant funding in support of social housing can be accessed); and
- Urban Development Zone (Designated areas within the City where a tax incentive to encourage private sector-led residential and commercial development is applicable).

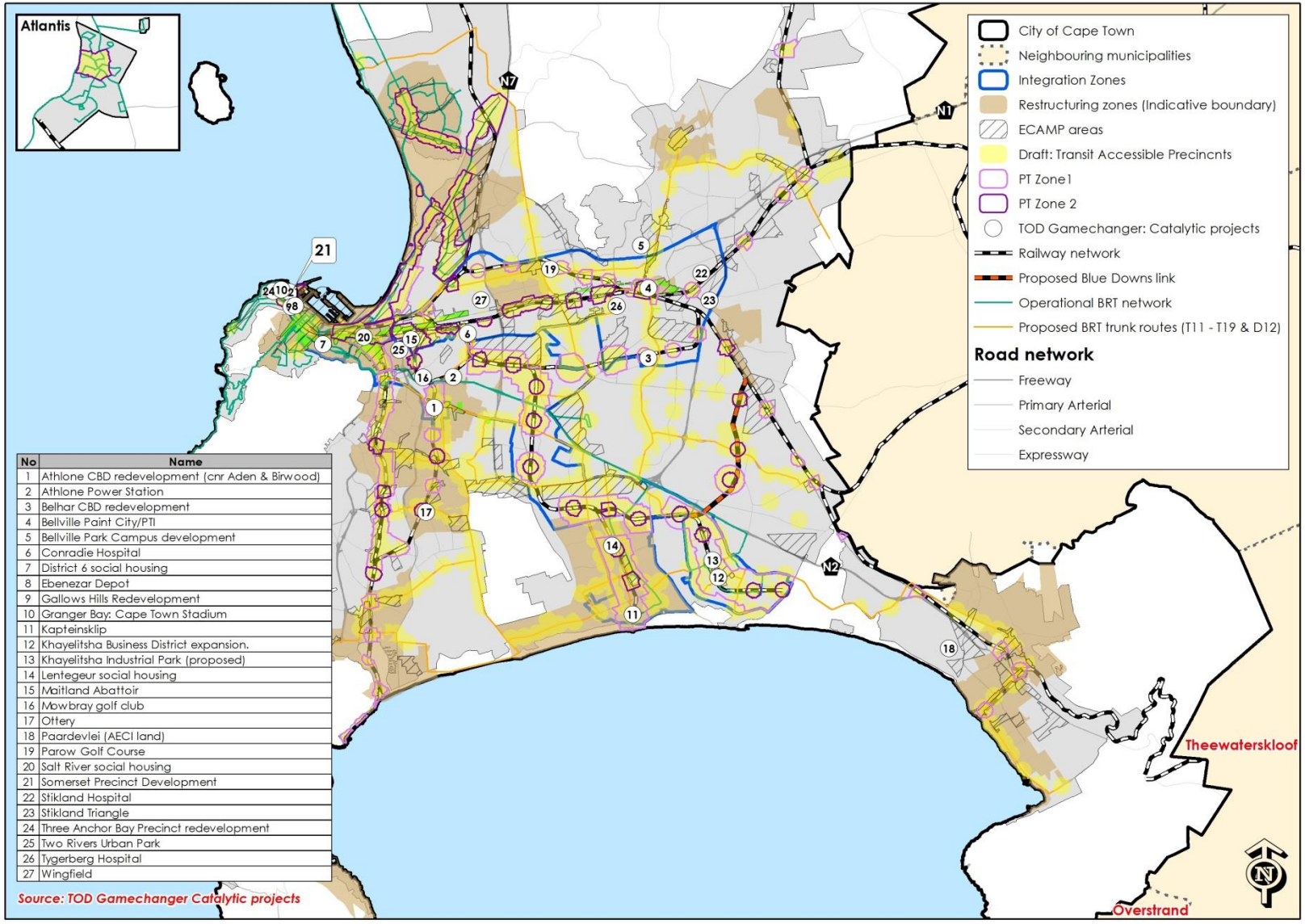
Table 11 indicates the state of preparedness of each of the projects and ***Diagram 17*** illustrates their spatial location of each.

Advancing the pipeline is dependent on committed resources from all spheres of government, Province and City in particular, and established priorities based on a robust understanding of project objectives, feasibilities and property market dynamics (i.e. sequencing the packaging of projects at an appropriate time within a notional property cycle"). It should be noted that the engineering infrastructure required for these projects would be significant and heavily depend on USDG funding.

Table 10: Assessment of Catalytic Projects in Relation to Spatial Targeting Initiatives

	TOD Gamechanger Catalytic project identification: Catalytic projects	Estimated GLA Yield	Estimated Residential Yield	Restructuring Zones	Integration Zones		Economic Node (proximity 500m)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
					VRC	MSE				
1	Athlone CBD redevelopment (cnr Aden & Birwood)	14 800	-	X		X	X	X	X	X
2	Athlone Power Station	303 895	1 177	X		X				
3	Belhar redevelopment, Delft CBD	18 820	240		X				X	X
4	Bellville Paint City/PTI	6 733	730	X	X		X	X	X	X
5	Bellville Park Campus development	650 000					X		X	
6	Conradie Hospital	213 000	3 603		X		X		X	
7	District 6 social housing	55 118	3 239	X		X	X			
8	Ebenezar Depot	5 500	120	X			X		X	
9	Gallows Hills Redevelopment	25 000	520	X			X		X	X
10	Granger Bay: Cape Town Stadium	29 060	-	X			X		X	X
11	Kapteinsklip	21 800	1 200	X		X			X	X
12	Khayelitsha Business District expansion.	10 000				X	X		X	X
13	Khayelitsha Industrial Park (proposed)	59 101				X	X		X	X
14	Lentegeur social housing	1 000	982	X		X			X	X
15	Maitland Abattoir	95 230			X		X		X	X
16	Mowbray golf club	17 545	2 075			X	X		X	X
17	Ottery	130 000	750	X			X		X	X
18	Paardevlei (AECI land)	528 460	14 471	X			X			
19	Parow Golf Course	56 700	1 913		X		X		X	X
20	Salt River social housing	2 700	279	X	X		X	X	X	X
21	Somerset Precinct Development	253 000	1 450				X		X	X
22	Stikland Hospital	83 856	4 717		X		X		X	X
23	Stikland Triangle	47 107			X		X			
24	Three Anchor Bay Precinct	80 000	825	X			X		X	X
25	Two Rivers Urban Park	537 262	6 278			X	X			
26	Tygerberg Hospital	165 000	7 500		X		X		X	X
27	Wingfield	344 400	11 625		X		X		X	X
		3 755 087	**63 694**							

Diagram 17: Spatial Analysis of Catalytic Projects in Relation to Spatial Targeting Initiatives



No	Name
1	Athlone CBD redevelopment (cnr Aden & Birwood)
2	Athlone Power Station
3	Belhar CBD redevelopment
4	Bellville Paint City/PTI
5	Bellville Park Campus development
6	Conradie Hospital
7	District 6 social housing
8	Ebenezar Depot
9	Gallows Hills Redevelopment
10	Granger Bay: Cape Town Stadium
11	Kapteinsklip
12	Khayelitsha Business District expansion.
13	Khayelitsha Industrial Park (proposed)
14	Lentegeur social housing
15	Maitland Abattoir
16	Mowbray golf club
17	Ottery
18	Paardevlei (AECI land)
19	Parow Golf Course
20	Salt River social housing
21	Somerset Precinct Development
22	Stikland Hospital
23	Stikland Triangle
24	Three Anchor Bay Precinct redevelopment
25	Two Rivers Urban Park
26	Tygerberg Hospital
27	Wingfield

Table 11: Assessment of Catalytic Projects and State of Preparedness

							Pre-Project				Inception								Implementation					
	Map Code	TOD Gamechanger Catalytic project identification: Catalytic projects	Estimated GLA	Estimated Res Units	% of Potential GLA Yield	% of Unit Yield	Need Identification	Develop-ment Approach	Strategy	Programme Definition	Identification	Selection	Prioritisation	Concept	Pre-Feasibility	Feasibility	Detailed Design	Procurement / Contract	Construction	Handover				
1	1	Athlone CBD redev elopment (cnr Aden & Birwood)	14 800	-	0.40	-																		
2	27	Wingfield	344 400	11 625	9.38	12.96																		
3	16	Mowbray golf club	17 545	2 075	0.48	2.31																		
4	18	Paardev lei (AECI land)	528 460	14 471	14.39	16.13																		
5	22	Stikland Hospital	83 856	4 717	2.28	5.26																		
6	23	Stikland Triangle	47 107		1.28	-																		
7	15	Maitland Abattoir	95 230		2.59	-																		
8	19	Parow Golf Course	56 700	1 913	1.54	2.13																		
9	4	Bellv ille Paint City/PTI	6 733	730	0.18	0.81																		
10	9	Gallows Hills Redev elopment	25 000	520	0.68	0.58																		
11	8	Ebenezar Depot	5 500	120	0.15	0.13																		
12	24	Three Anchor Bay Precinct redev elopment	80 000	825	2.18	0.92																		
13	26	Tygerberg Hospital	165 000	7 500	4.49	8.36																		
14	17	Ottery	130 000	750	3.54	0.84																		
15	13	Khayelitsha Industrial Park (proposed)	59 101		1.61	-																		
16	25	Two Riv ers Urban Park	537 262	6 278	14.43	7.00																		
17	12	Khayelitsha Business District expansion.	10 000		0.27	-																		
18	5	Bellv ille Park Campus dev elopment	650 000		17.69	-																		
19	14	Lentegeur social housing	1 000	982	0.03	1.09																		
20	2	Athlone Power Station	303 895	1 177	8.27	1.31																		
21	20	Salt Riv er social housing	2 700	279	0.07	0.31																		
22	6	Conradie Hospital	213 000	3 603	5.80	4.02																		
23	21	Somerset Precinct Dev elopment	253 000	1 450	6.89	1.62																		
24	11	Kapteinsklip	21 800	1 200	0.59	1.34																		
25	10	Granger Bay: Cape Town Stadium	29 060	-	0.79	-																		
26	3	Delft CBD, Belhar redev elopment	18 820	240	0.51	0.27																		
27	7	District 6 social housing	55 118	3 239	1.50	3.61																		
			3 755 087	63 694			Pre-Project				Inception								Implementation					

C2: Institutional Arrangements

C2.1 Current Operational Spend on Catalytic Project Pipeline

The following projects are presently being funded to support planning and technical studies to advance the feasibility aspects of the respective projects:

1. Athlone Power Station: R 8,25m - For Framework, Engineering Services, Environment and Land Use Planning

2. MSE Integration Zone Strategy and Investment Framework: R3,96m - Provision of Professional Services in Respect of the Development of a Strategy and Investment plan for the Metro South - East Integration Zone

3. TRUP: R8,9m - Professional fees

4. Conradie Gamechanger: R1,4m - Professional fees

C2.2 Existing Co-ordinating Forums and Arrangements

The City has a number of forums through which it facilitates strategic alignment in planning, resource allocation and implementation that endeavours to achieve a coordinated inter-governmental project pipeline.

An Inter-governmental Working Group was established in 2015 to assess and prioritise "catalytic projects" located on the provincial and city owned land to support the strategic objectives of both parties and in particular Transit Oriented Development.

The working group was supported and informed by an analysis undertaken by KPMG to determine the project readiness of the numerous "candidate" projects. The support from KPMG was made under the auspices of the Cities Support Programme (CSP) as a component of the Capacity Support Implementation Plan.

The Inter-Governmental TOD Gamechanger Working Group has committed to:

- presenting information on the assessed catalytic projects to the Mayor, Premier and Inter-Governmental Committee (IGC) for further endorsement and consideration of implications, prioritisation objectives and resource allocation;
- considering institutional recommendations arising from the findings of the assessment of the pipeline; and
- suggesting mechanisms to establish market demand and private sector *modus operandi* and implications for pipeline.

At a more general level the City's BEPP Technical Steering Committee includes the National Treasury and the Western Cape Government (The Provincial Treasury and the Department of Environmental Affairs and Development Planning, the latter responsible for coordinating planning within the Western Cape Government). The process of preparing the annual BEPP includes bilateral engagements with the relevant Western Cape Government departments investing in Cape Town, national government departments as well as state owned enterprises). Summaries of these interactions and a reflection of the broader investment plans from the other public sector partners within Cape Town are included in ***Section D2***.

At a political level the City and Western Cape Government meeting in an Inter-Governmental Committee on a bi-monthly basis around strategic matters and in particular the Inter-governmental GameChanger Working Groups which are being incorporated under the Social as well as the Economic Clusters reporting of the City.

The GC WGs consists of the:

- Aforementioned Transit Oriented Development (TOD) Working Group progressing on the pipeline of catalytic urban development projects in order to utilise strategically located state owned land parcels to achieve spatial transformation & TOD objectives. The work of the Better Living Model Working Group has been amalgamated into this WG;
- Digital Competitiveness Working Group that deals with getting citizens online, supporting tech-related industries and making government services available in accessible online formats;
- After School Interventions Working Group that deals with creating an enabling environment for ASPs, ensures quality AS programming and improve delivery mechanisms and management;
- Energy Security Working Group aiming at ensuring enough power for growth in the Western Cape; and
- Alcohol Harms Reduction Working Group dealing with the overall reduction of alcohol-related harms including some community Facility Providers and the Provincial Department of Health and Education in the Forward Planning 2032: Social Facility Investment Framework. During the most recent Bilateral, the City and the Department of Education as well as Health have identified the need to set up a more regular and structured forum specifically for facilities planning aligned to the City's human settlement development plan.

In support of the above, the technical staff in the City's Line Departments and most of the shared mandate service delivery departments in the Western Cape Government, have regular collaborative planning meetings. This is relevant to the subject of Human Settlements, Health, Libraries, Sport & Recreation and long term forward planning. Examples in include: the Catalytic Human Settlement Projects which presented to the National Department of Human Settlements and the collaboration between the City's Social Facility planning departments and the provincial departments of Health and Education in 2014 during the Forward Planning for Social Facilities 2032 project focussed on long term planning for land reservation and facility budgeting between the City and province.

In addition there are a number of other structures which facilitate inter-governmental planning and investment:

- In the Transport Sector, Transport for Cape Town host the **Land & Transport Advisory Board** and **Inter-Modal Planning Committee** (IPC) which includes the Western Cape Government and all public transport providers (i.e. PRASA, Transnet, the mini bus taxi industry and Golden Arrow). These structures are supported by a number of sub-committees focusing on: operational coordination; forward planning coordination; transit oriented development and land value capture; safety coordination around.

- The City has a Memorandum of Action with PRASA that supports the implementation of the following collaborative projects and programmes:
 - The Infrastructure Investment Programme includes all the planning, design and implementation of the Blue Downs Rail link, Fisantekraal line, Bloekombos Station.
 - The Modernisation Programme and the Rolling Stock (new and refurbishment).
 - The Operations Management Programme facilitates projects such as the Protection of Rail Reserves, Operations Integration and Management Reporting, Railway Crossings and NMT.
 - The Strategic Investment Interventions' projects include TOD and Trail Station Typologies, Integrated Ticketing, Strategic Land Management and Investment Packaging, Branding etc.

- The City has a Memorandum of Understanding with the Transnet Ports Authority which commits the City and the Cape Town Port to joint planning. From this process a 'Revisioning' of the Port Gateway Precinct was completed in 2014.

- Area based programmes run by the City such as the Mayoral Urban Regeneration Programme and programmes run in partnership such as the major CBD partnerships and City Improvement Districts serve to set up inclusive structures at an area level that facilitate coordinated planning and implementation with a particular emphasis on urban management.

- ACSA have been facilitating inter-governmental engagement on the viability of an aerotropolis in Cape Town and what the conceptual approach to this would be in the Cape Town context, with strong participation from the City and Western Cape Government.

- There are established structures that ensure regular coordination between the City level, provincial and national Departments of Human Settlement. The inter-governmental pipeline of human settlements projects in Cape Town has been submitted to the National Department of Human Settlements and is understood to be accepted.

 All of these efforts at inter-sectoral and inter-governmental coordination serve to maintain positive working relations and mitigate against the risks of uncoordinated investments.

C2.3 Required Transversal Arrangements for Human Settlements Initiatives

The City and the Western Cape Government have identified the need to set up a regular forum specifically for facilities planning aligned to the City's development plans, human settlement development plans in particular and understanding prevailing growth trends.

The sequencing of informal settlement upgrading is currently directed via the City's Informal Settlements Matrix, a detailed database reflecting the development suitability and community statistics for all informal settlements.

The City lacks a transversal institutional implementation arrangement for informal settlements individually or comprehensively. Generally the bulk votes funded from USDG or INEP, covers the improvement of water and sanitation, electricity and waste removal services. The need for a transversal, co-ordinated system is recognised by the IHSF Implementation Plan.

Presently, each project reflecting on the capital budget for the purposes of informal settlement upgrade is identified by the different line departments in association with the HS's department for informal settlements.

The majority of the upgrading projects are aimed at improving service levels. Each line department - electricity, water, waste removal etc. - identifies which settlement is "next in line" prior to putting these on their respective capital bulk planning and proceed with the implementation as soon as the capital budget is approved.

The operating budget for the maintenance of the service levels remain with the line department of water and sanitation or electricity/ ESKOM. The asset creation from new capital investments also remains on the records of the line departments independently. The active subdivision (township establishment) with subsequent land ownership transfer is not yet in place for informal settlements. The IHSF has a specific programme under process to eventually result in formal title transfer depending on the land ownership and various detailed developability conditions of the land and the qualifying ability of some of the residents.

D. CAPITAL FUNDING

D1: Spatial Budget Mix

The City's capital funding is sourced from four primary sources, namely: Grants, the Capital Replacement Reserve (CRR), the External Financing Fund (EFF) and Revenue. Grant funding remains a significant percentage of the total capital funding although it has declined as a percentage in recent years and presently represents 43% of the total R7,42billion funding (2015/16-2017/18): a similar contribution to that made by EFF (***Diagram 18***).

The Urban Settlements Development Grant (USDG) and Public Transport Network / Infrastructure Grants (PTIG / PTNG) represent 90% of the grant funding available over the MTREF.

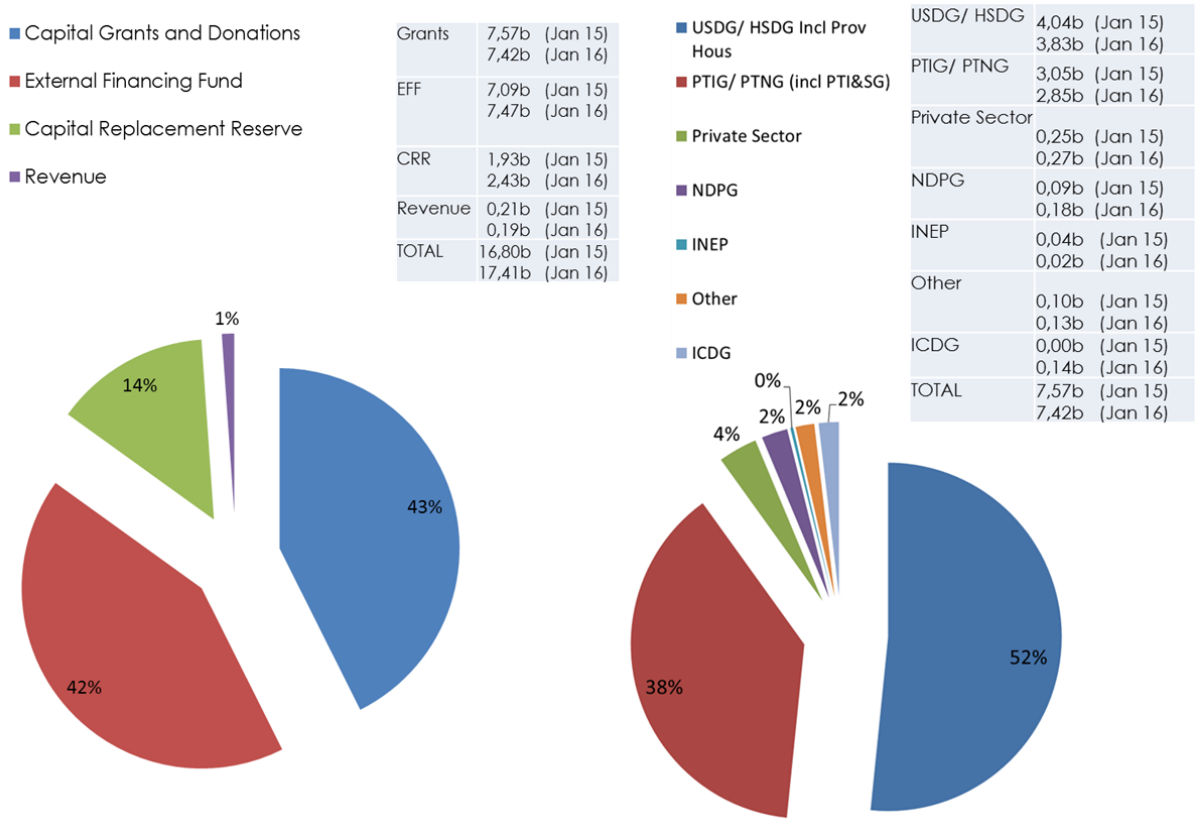
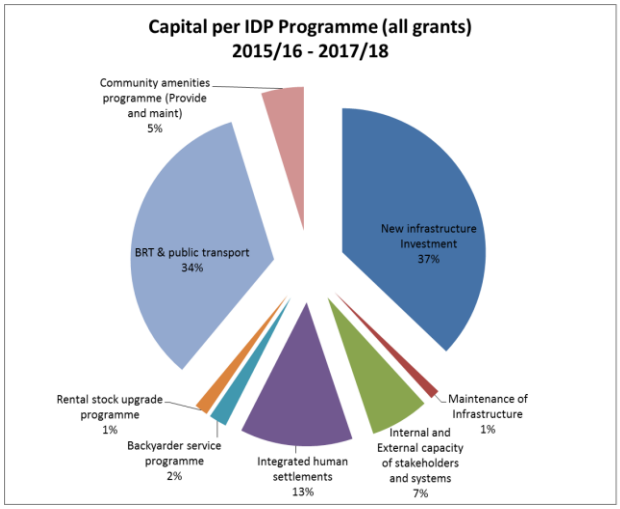


Diagram 18: Budget Grant Sources and Contributions to Capital Spending

Presently, the City's budget is represented per IDP programme, which consolidates IDP Objectives and the Strategic Focus Areas (5 pillars including Opportunity, Inclusive, Caring, Safe and a Well-run City). The spatial locations of capital project are allocated per ward in the current system but work in ongoing to migrate this into the SAP-based Project Portfolio Management System (PPM). It is anticipated that the PPM approach will eventually reflect the spatial location of projects together with its budgets and connectivity with the new term of office IDP and future BEPP documentation.

Diagram 19 indicates the proportional parts of the capital funding allocated to each of the different IDP programmes. The nature and conditionalities associated with Grant funding directs investment towards public transport programmes and Integrated Human Settlements. Conversely, other capital sources like EFF and CRR are predominately used in New Infrastructure Investment and Infrastructure Maintenance.



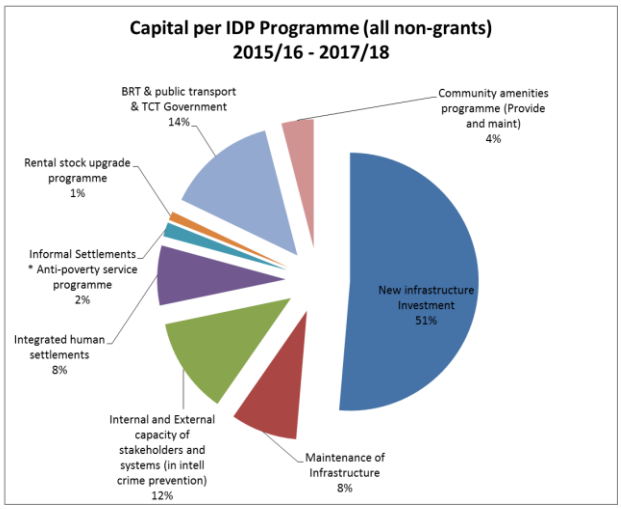
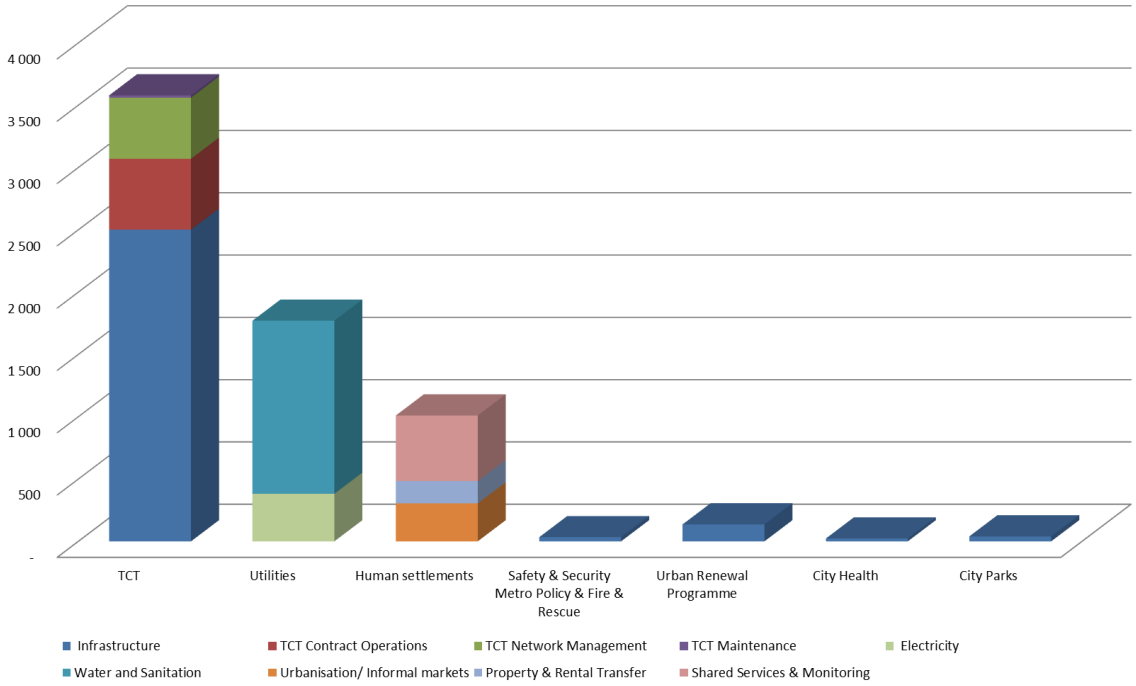


Diagram 19: Capital Funding Per IDP Programme (Grants vs all Non-Grants)

Diagram 20 reflects that Transport for Cape Town (TCT) receives the largest monetary grant funding proportion for projects reflecting within the Top 100 (of rand value) followed by utilities (predominantly water and sanitation and human settlements in third place.

Diagram 20: All Grants (Top 100 Monetary Value) (2015/16-2017/18) ZAR Millions



D2: Investment Strategy of City, Western Cape Government and SOEs

D2.1 City's Grant Specific Spatial Focus

Due to programmatic level management of the budget, the majority of "bulk votes" cannot be spatialised. Work in underway with the SAP-based Project Portfolio Management System (PPM) to enable Project Managers to geo-reference the location and the "impact area" of the capital investment. This system is in the advanced stages of design and implementation and should inform the future BEPP reviews.

With the intention to spatialise at least the project specific location per grant programme, the Diagrams T1, T2, T3 and T4 illustrate the location of different grants, namely the Public transport Network Grant / Public Transport Infrastructure Grant (PTNG/ PTIG); Urban Settlement Development Grant (USDG); Integrated Network Electrification Programme (INEP); Integrated City Development grant (ICDG); and Neighbourhood Development Partnership Grant (NDPG).

This is followed by a spatial representation of the location of the budgets of SOEs such as PRASA, ACSA, ESKOM as well as the Provincial Government Department. Data reflected in the diagrams below were obtained from the Inter-Governmental Sessions between the City's BEPP process and the SOE/C in November 2015. Budgetary periods differ but most reflect either 2015/16 to 2017/18 (3 year including the current year) or 2016/17-2018/19 (3 years coinciding with the BEPP planning framework).

Diagram 21 illustrates the location of planned investment funded by the PTNG/ PTIG grant. The map indicates the relative size of the budgets through the size of the circle and the City-wide programmes are 'positioned in the sea'. The magnitude of the planned investment in the Wetton-Lansdowne BRT corridor is clearly visible. ***Diagram 22*** illustrates that the transport grant increased its anticipated spending towards IRT operations as well as strategic support infrastructure in the form of the Transport Management Centre expansion and the Metro South East Public Transport facility.

Diagram 23 illustrates the spatial location of the USDG grant investments with the relative size of the green dots reflecting the monetary value over the 3 year period (2016/17-2017/18) against the boundaries of the Integration Zone. **Diagram 24** indicates project specific proportions of the USDG grant as at Feb 2015 and Feb 2016. There is a favourable comparison between the two years and the impact of USDG being used to fund Water and Sanitation, Roads and Stormwater, Electricity and Human Settlement projects is evident. ***Diagram 25*** is reflective of line departments' prospective investments facilitated with USDG funding.

Diagram 26 consolidates the spatial locations of projects funded by ICDG, NDPG and INEP and ***Tables 12, 13*** **and 14** reflects the monetary value of these projects.

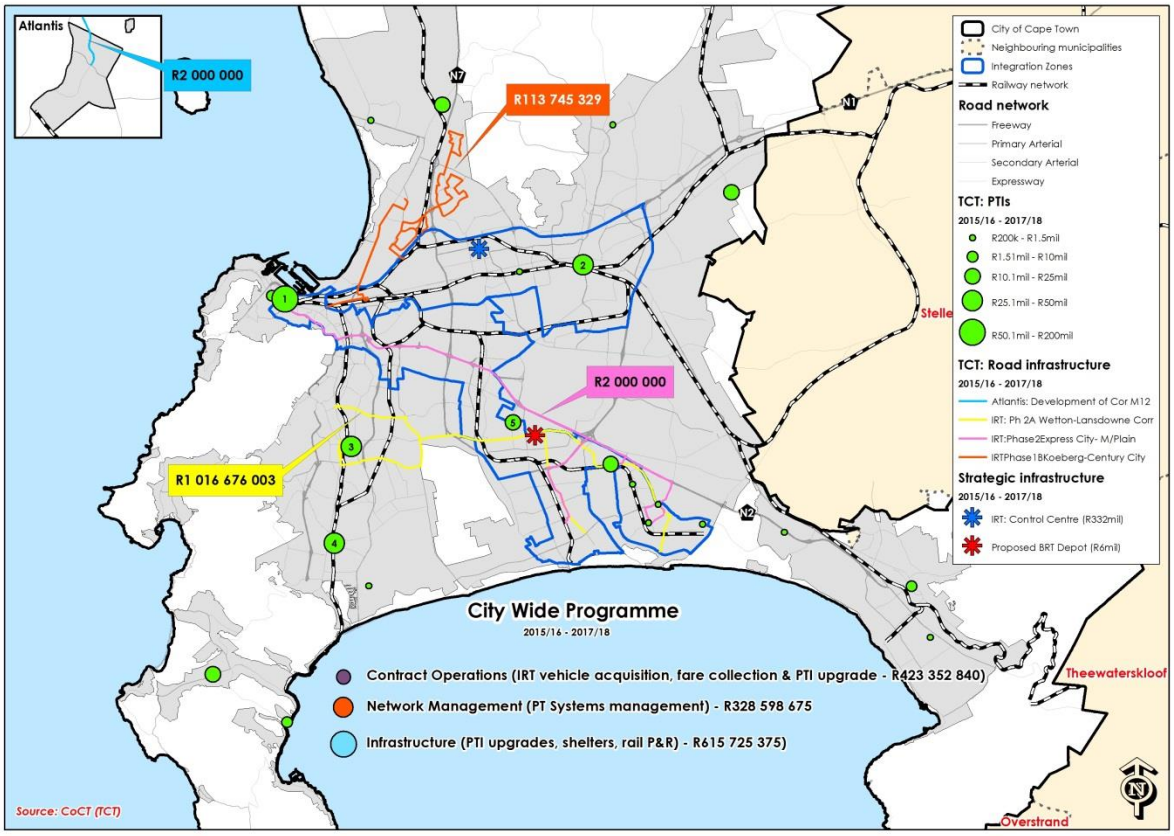


Diagram 21: CoCT's (TCT) PTIG/ PTNG Grant locations 2015/16 – 2017/18

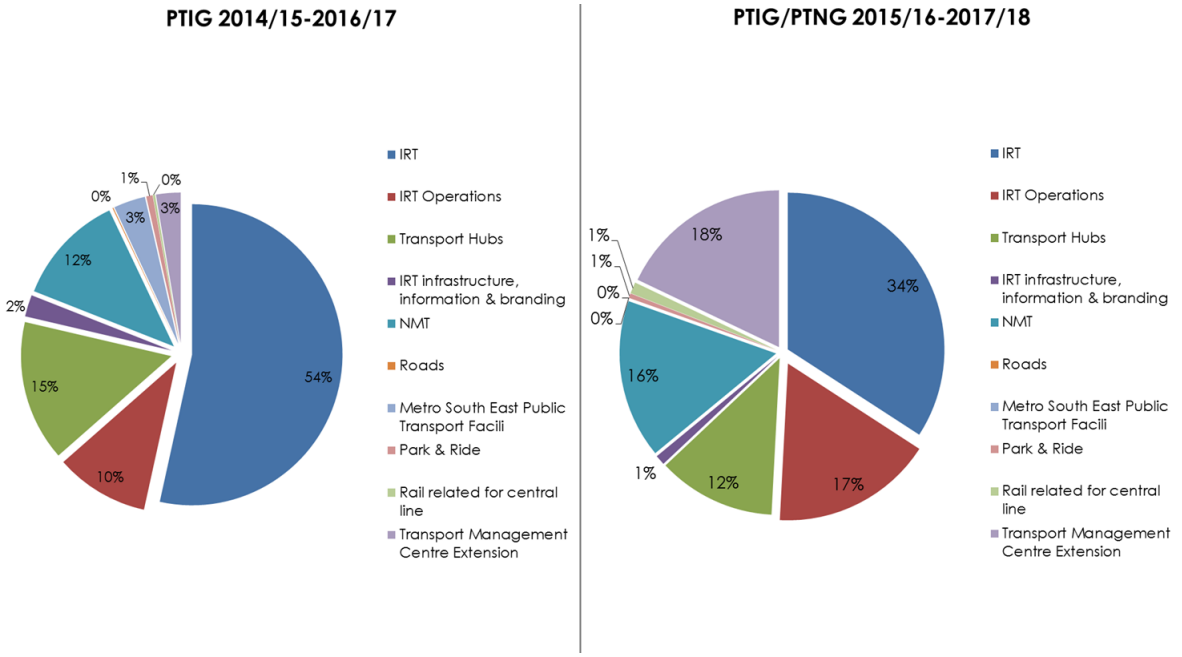


Diagram 22: Difference in focus between 2014/15 and 2015/16 PTIG/PTNG (Feb 2015 to Feb 2016 comparison based on monetary value of projects)

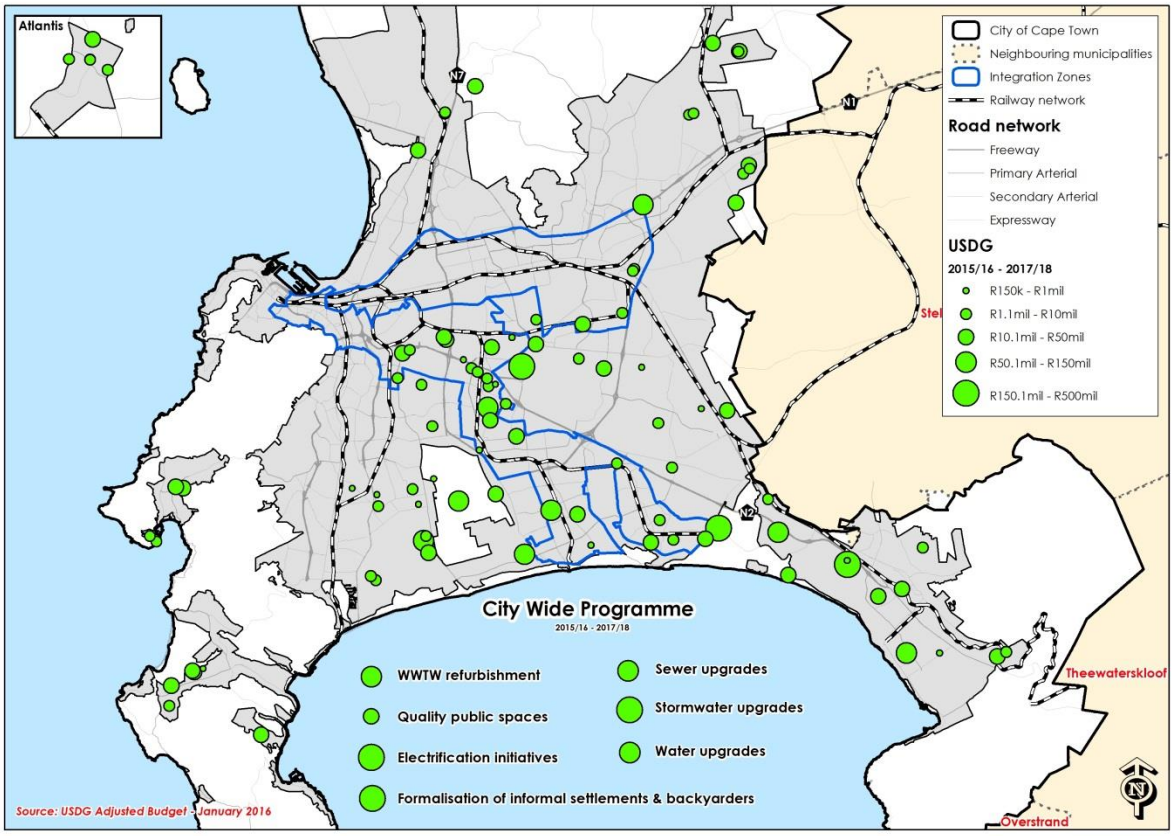


Diagram 23: CoCT's USDG Grant locations 2015/16 – 2017/18

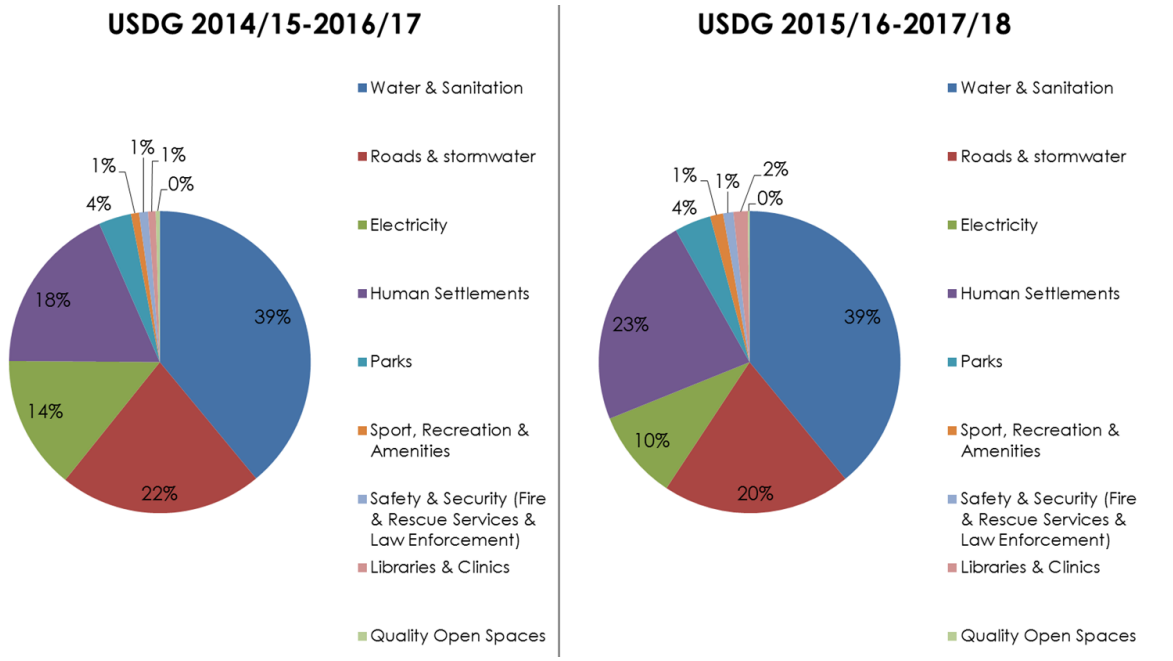


Diagram 24: Difference in focus between 2014/15 and 2015/16 USDG (Feb 2015 to Feb 2016 comparison based on monetary value of projects)

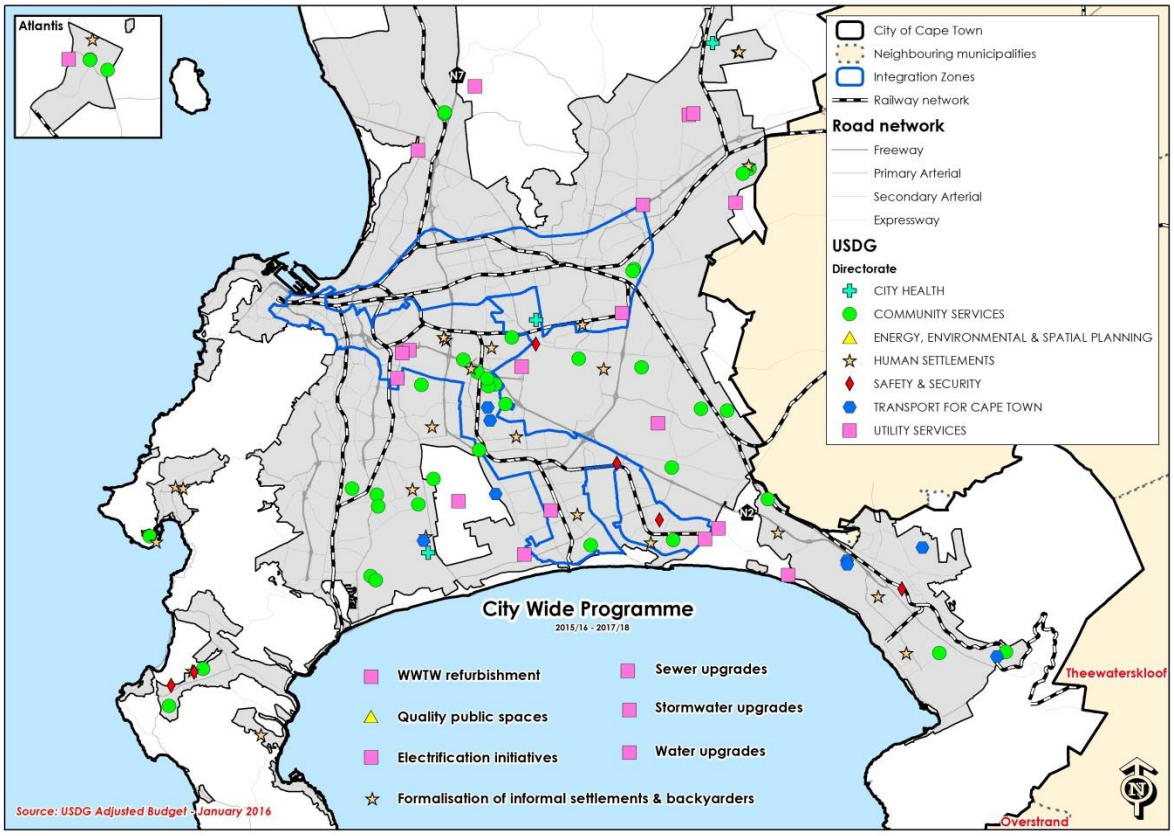


Diagram 25: CoCT's USDG Grant Location per Directorate 2015/16 – 2017/18

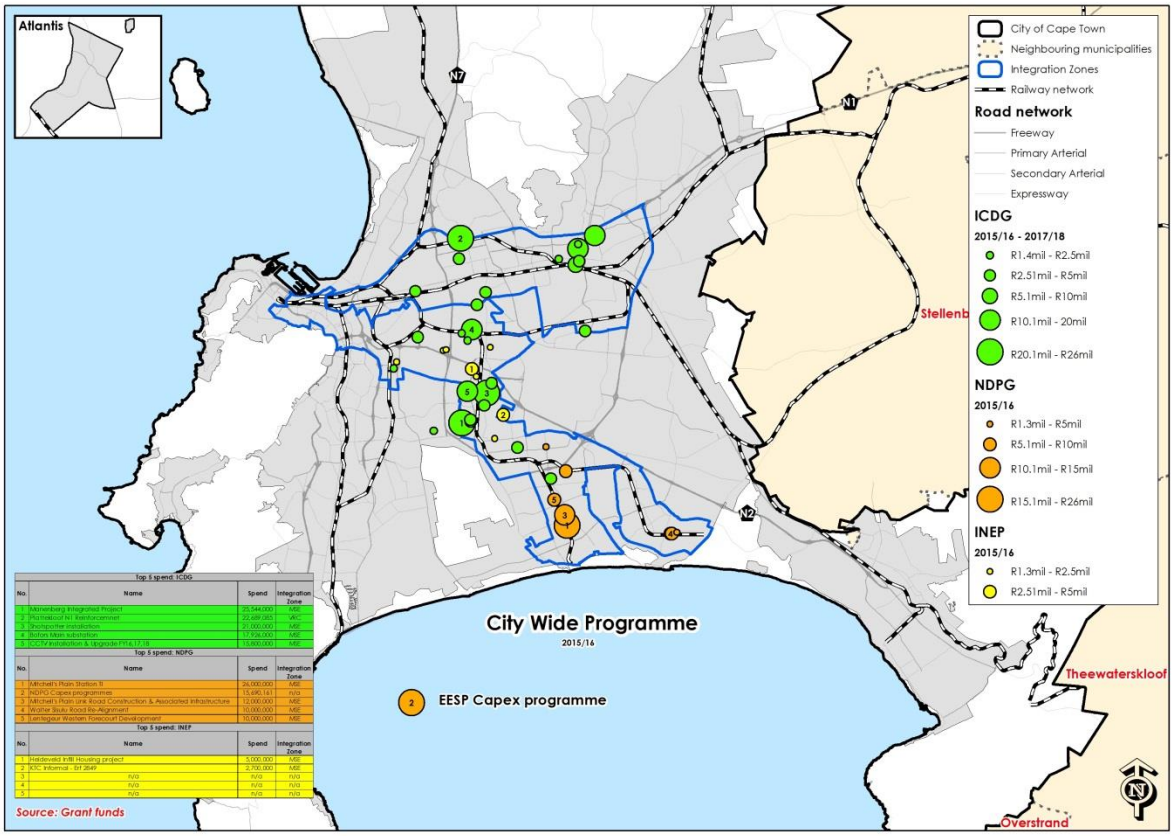


Diagram 26: ICDG, NDPG and INEP Project Locations

INTEGRATED CITIES DEVELOPMENT GRANT						
PROJECT	**Project status**	**Project owner**	**Year 2015/16**	**Year 2016/17**	**Year 2017/18**	**Total Amount**
VOORTREKKER ROAD CORRIDOR						
Oakdale Main Substation Upgrade Ph 2	Implementation	Utility Services	14 000 000	-	-	**14 000 000**
Upgrade: Elizabeth to Jack Muller Park	Implementation	Community Services	2 000 000	2 000 000	10 000 000	**14 000 000**
CCTV Installation Goodwood	Preparation	Safety & Security	-	3 634 700	-	**3 634 700**
Kruskal Avenue Upgrade	Implementation	Energy, Environmental & Spatial Planning	400 000	1 500 000	1 100 000	**3 000 000**
Maitland Crematorium & Chapel Upgrade	Implementation	Community Services	200 000	2 500 000	-	**2 700 000**
Upgrading of Voortrekker Road islands	Preparation	Community Services	-	1 000 000	1 000 000	**2 000 000**
Upgrade POS System Jack Muller to Elizabeth Park	Implementation	Community Services	1 429 665	-	-	**1 429 665**
METRO SOUTH-EAST CORRIDOR						
Upgrade - Manenberg Integrated Project	Implementation	Community Services	544 000	10 000 000	15 000 000	**25 544 000**
Shotspotter Installation	Implementation	Safety & Security	5 000 000	8 000 000	8 000 000	**21 000 000**
Bofors Main Substation Upgrade	Implementation	Utility Services	17 926 000	-	-	**17 926 000**
CCTV Installation & Upgrade	Implementation	Safety & Security	5 800 000	5 000 000	5 000 000	**15 800 000**
Smart Trees Programme	Implementation	Community Services	1 000 000	2 000 000	2 000 000	**5 000 000**
Wallflower Park incl Landscaping of AZ B	Inception	Community Services	-	3 000 000	484 650	**3 484 650**
Manenberg SC Lighting Project	Implementation	Community Services	3 456 000	-	-	**3 456 000**
Upgrading B/heuwel TC and Pedestria Link	Inception	Energy, Environmental & Spatial Planning	-	1 000 000	1 000 000	**2 000 000**
Upgrade: Sagaloda Park, Philippi	Implementation	Community Services	500 000	-	-	**500 000**

Table 12: ICDG Planned Investment per Integration Zone

NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT						
PROJECT	**Project status**	**Project owner**	**Year 2015/16**	**Year 2016/17**	**Year 2017/18**	**Total Amount**
METRO SOUTH-EAST CORRIDOR						
NDPG Capex programmes	Implementation	Energy, Environmental & Spatial Planning	15 690 161	60 000 000	60 000 000	**135 690 161**
Mitchell's Plain Station TI	Implementation	Transport for Cape Town	26 000 000	-	-	**26 000 000**
Lentegeur & Mandalay Station PTI's: Dsg	Implementation	Transport for Cape Town	9 500 077	-	-	**9 500 077**
Kuyasa Library Precinct: Walter Sisulu Road	Implementation	Transport for Cape Town	7 433 665	-	-	**7 433 665**
New Regional Library Kuyasa, Khayelitsha	Preparation	Community Services	1 376 097	-	-	**1 376 097**

Table 13: NDPG Planned Investment per Integration Zone

INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT						
PROJECT	**Project status**	**Project owner**	**Year 2015/16**	**Year 2016/17**	**Year 2017/18**	**Total Amount**
METRO SOUTH-EAST CORRIDOR						
Heideveld Infill Housing project (Part of R8mil)	Implementation	Electricity services	8 000 000	5 000 000	10 000 000	**23 000 000**
Hazendal Infill Housing Project (Part of R8mil)	Implementation	Electricity services				
Valhalla Park Housing Project (Part of R8mil)	Implementation	Electricity services				
Joe Slovo Phase 3, Langa (Part of R8mil)	Implementation	Electricity services				
Gugulethu Infill Housing Project (Part of R8mil)	Implementation	Electricity services				
Manenberg Infill "The Down" Housing project (Part of R8mil)	Implementation	Electricity services				

Table 14: INEPG Planned Investment per Integration Zone

D2.2 Western Cape Government Departments

The Western Cape Government (WCG) Department of Treasury is represented on the BEPP Technical Committee and has been jointly responsible for annual bi-laterals and communication of the investment nature and scope of the Provincial budget.

In October 2015 the City in collaboration with key WCG departments met to discuss investment plans that impact on the City and to understand the alignment of these across the respective spheres. This was in addition to the work and institutional arrangements associated with the Catalytic Project Pipeline considered in Section C.

Each Department was invited to respond to and present a pro-forma presentation template reflecting the following questions.

Task 1: Comments on May 2015/ 16 BEPP document

Task 2:
- This is my budget (next 3 years 2016/17, 2017/18, 2018/19). This is how it looks in space/geography!
- This is my long term plan. My priorities are x y z. I am driven to them by who/ what?
- What/ who/ how can my priorities be changed?
- What prevents me from operating in an ideal world? (institutional, legal, policy, direction of other sectors, political priorities …)
- These are my top 3 projects – and they are located here.

Task 3:
- How do you determine the priorities for capital investment in your sector?
- Explain the criteria used for the prioritising of capital budgets.
- What is the role of the City's department (if co-mandated) in the prioritizing process and what are the co-dependencies between City and Province if not co-mandated?
- How can the City be more involved in collaborative planning?

The full presentations made by the Departments can be found via this link.

Department of Public Works (Regeneration Projects)
The Regeneration initiatives of the Western Cape Government, Department of Public Works are aimed at the optimization of provincially owned land. A Partnership has been established between the City and Regeneration Team to reach agreement on the Catalytic Property development projects of the City and Province on land owned by the entities independently or cumulatively. The Catalytic Urban Development projects in Section C1 include the most of the projects overseen by the Regeneration team and in collaboration with the City the analysis of the pipeline positions and future planning has been undertaken under the TOD working Group. The Province has allocated funding for professional fees to support the preparation of Urban Design and Development Frameworks; obtaining development rights (rezoning); and releasing land parcels to the market for some of the parcels of land.

Department of Public Works (road construction and upgrading)
Road improvements and upgrading are executed by Public Works on identified and prioritised roads agreed between the City and Province. The spatial location and monetary value of envisaged road improvements are visible on ***Diagram 27***. The location of these road upgrades will not correspond to the Integration Zones because of Province's asset ownership generally associated with roads connecting the central city roads with the regional infrastructure and broader provincial network, notwithstanding the N1 and N2 which are co-owned and managed by Province and SANRAL. The upgrades on the N1 will support the Congestion Strategy of the City (TCT) aimed at clearance of bottlenecks on major feeders

into the City and the N2 improvements will maintain enhance connectivity between the Metropolitan and Sub-Metropolitan nodes.

Department of Health
Diagram 28 is indicative that much of the Health Department's planned investment is located within the Integration Zones over the period 2016/17 to 2017/18.

The City's Health Department is also investing in upgrading / expansion of services in ***Diagram 29.*** Here the City's investment is reflected in green: Province in yellow and the City's investment funding sources are also visible. The City funds the bulk of investment from EFF sources and co-funding from USDG. The spatial locations of investments are well-aligned to the Integration Zones and are supportive of Provincial investments.

Department of Education
The 650,000 learners in primary and secondary schools in the City's jurisdiction represent 63% of Provincial demands. The Education Department has articulated in the past two engagements that demand continues to exceed supply.

The Education Department's investment is divided between three programmes supporting new schools, replacements schools (where materials from existing schools are not of permanent nature), and normal maintenance programme related to existing schools. The 2016/17-2018/19 investment programme in the City will include 17 new schools, 26 replacement schools, expansion of schools at 28 existing schools and continued maintenance at 179 schools.

A 10-year plan for facility construction and maintenance was also presented by Education department, which included 19 new schools, 20 replacement and 53 expansions (***Diagram 30***).

Department of Human Settlements
Provincial Human Settlements (PDHS) implements projects independently of the City although collaborative planning between the City and Provincial Departments mostly determines those priorities – although each party remains responsible for its specific mandate. PDHS applies to the City intermittently for USDG funds for the development of services for integrated human settlements. The PDHS implements these projects independently. Institutionally, the City allocates and transfers USDG funds to the Province for integrated human settlement development services on WCG owned land. Following a review of applications received from PDHS, the City allocates funds with Council approval within the budget. PDHS remain responsible for all supply chain and project management aspects of these projects. Funds are administered via Memorandum of Agreement between City and Province.

Diagram 31 reflects the spatial location and monetary scale of the investment envisaged by the Provincial Department of Human Settlements. It is not reflective of the "Catalytic Human Settlement Projects" which both parties have identified and submitted for future implementation (considered in ***Annexure B***).

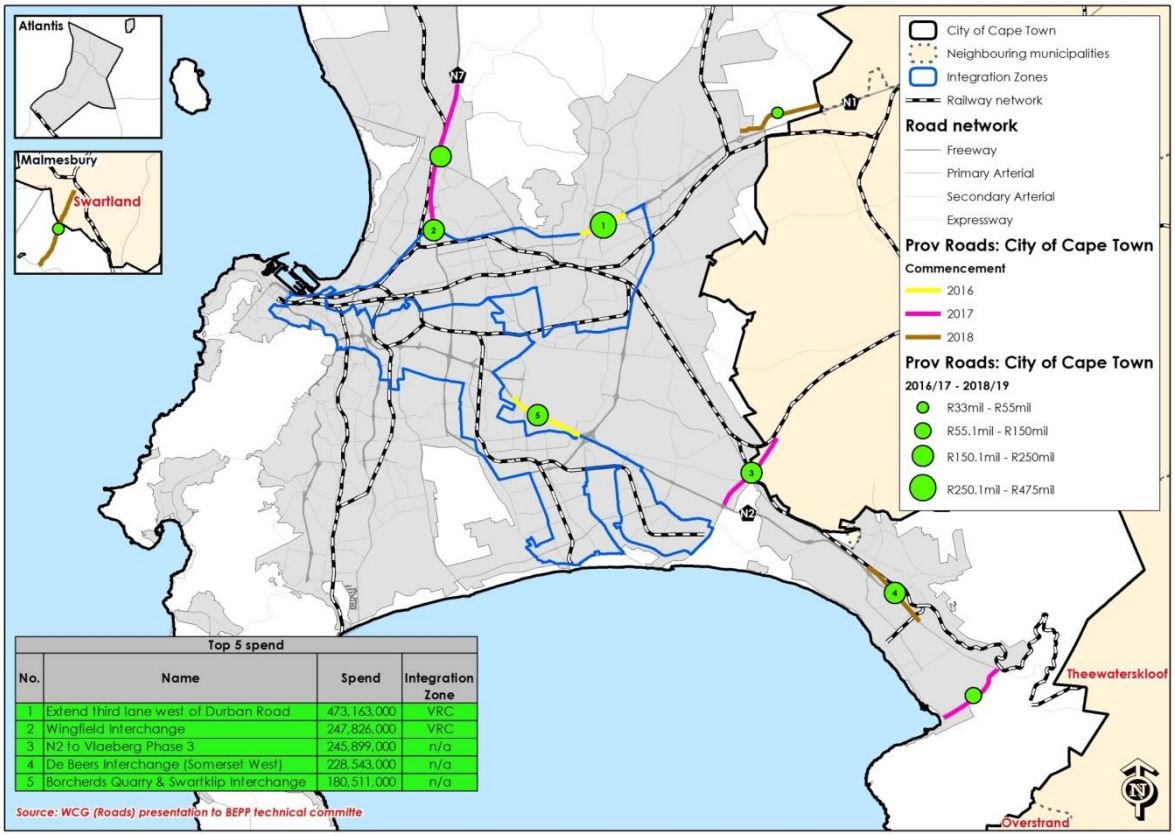


Diagram 27: Upgrade & Rehabilitation of WCG road infrastructure for 2016/17 – 2018/19

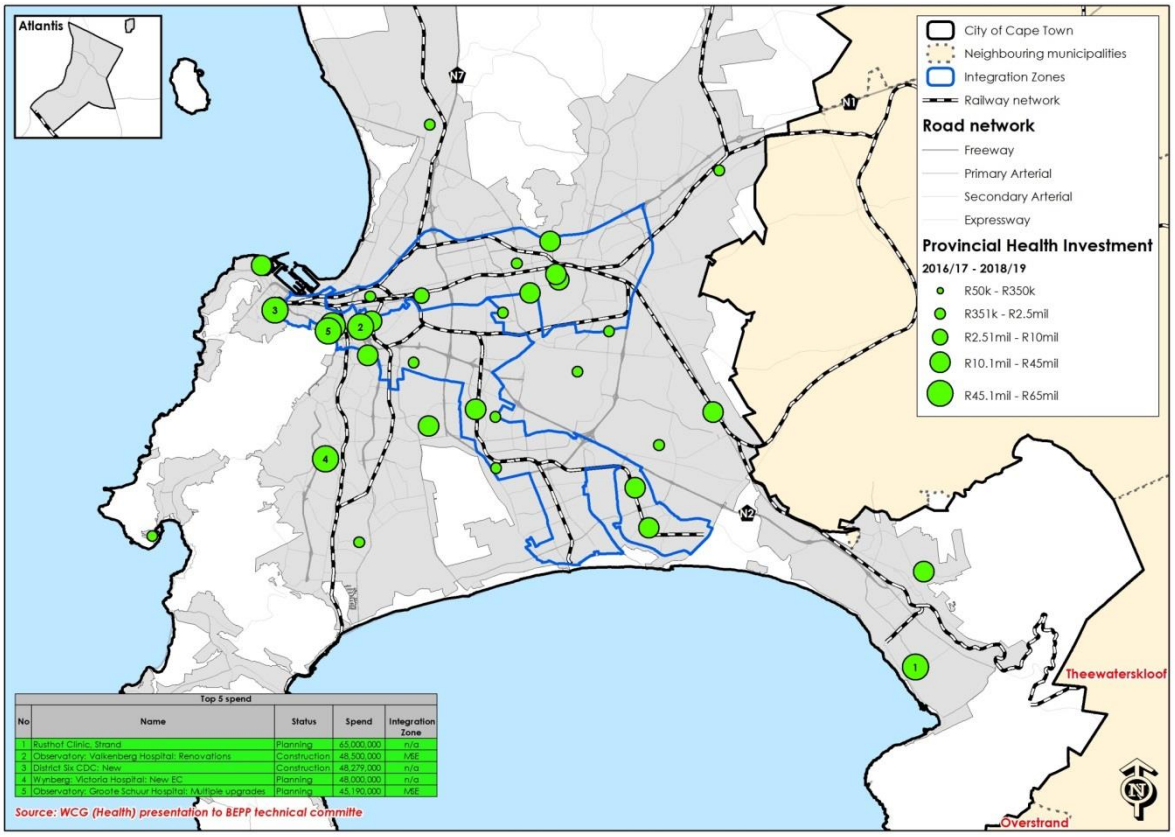


Diagram 28: Health Department (WCG) investment programme for 2016/17 – 2018/19

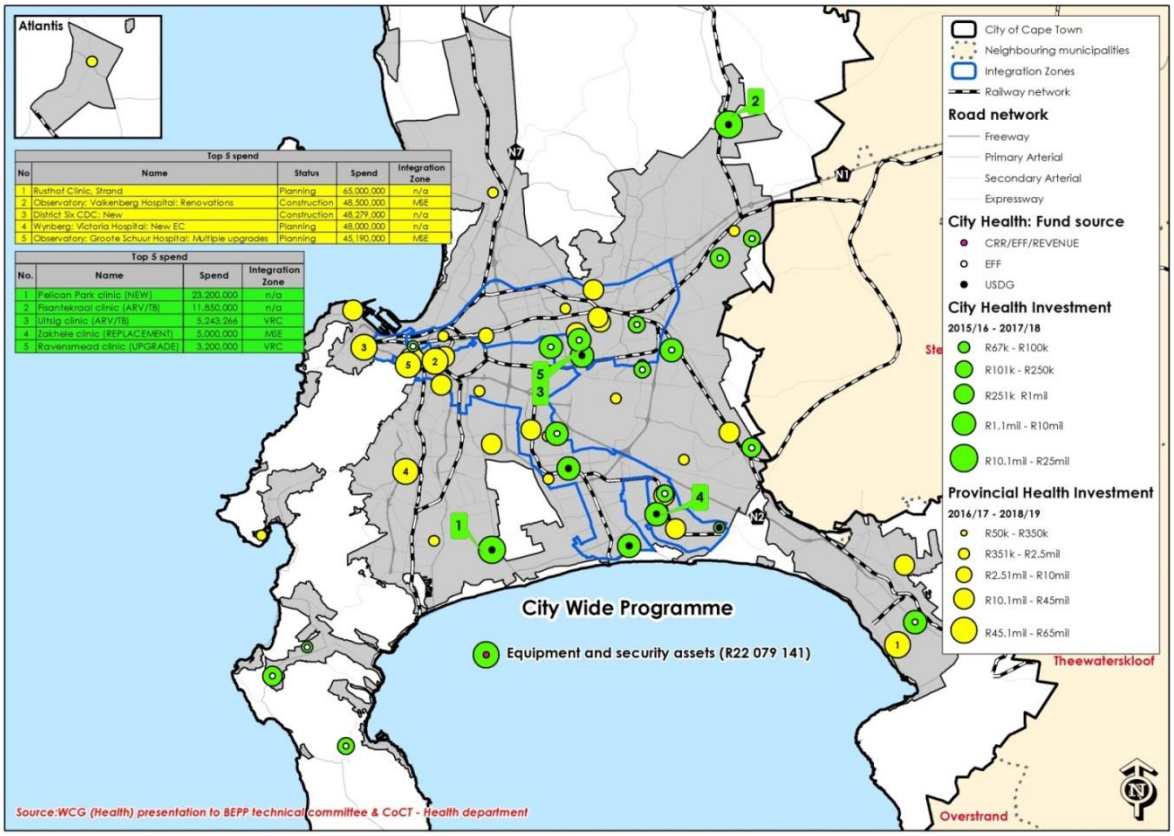


Diagram 29: CoCT & WCG Health's Investment 2015/16 – 2017/18 & 2016/17 – 2018/19 (inclusive of all funding not only grants)

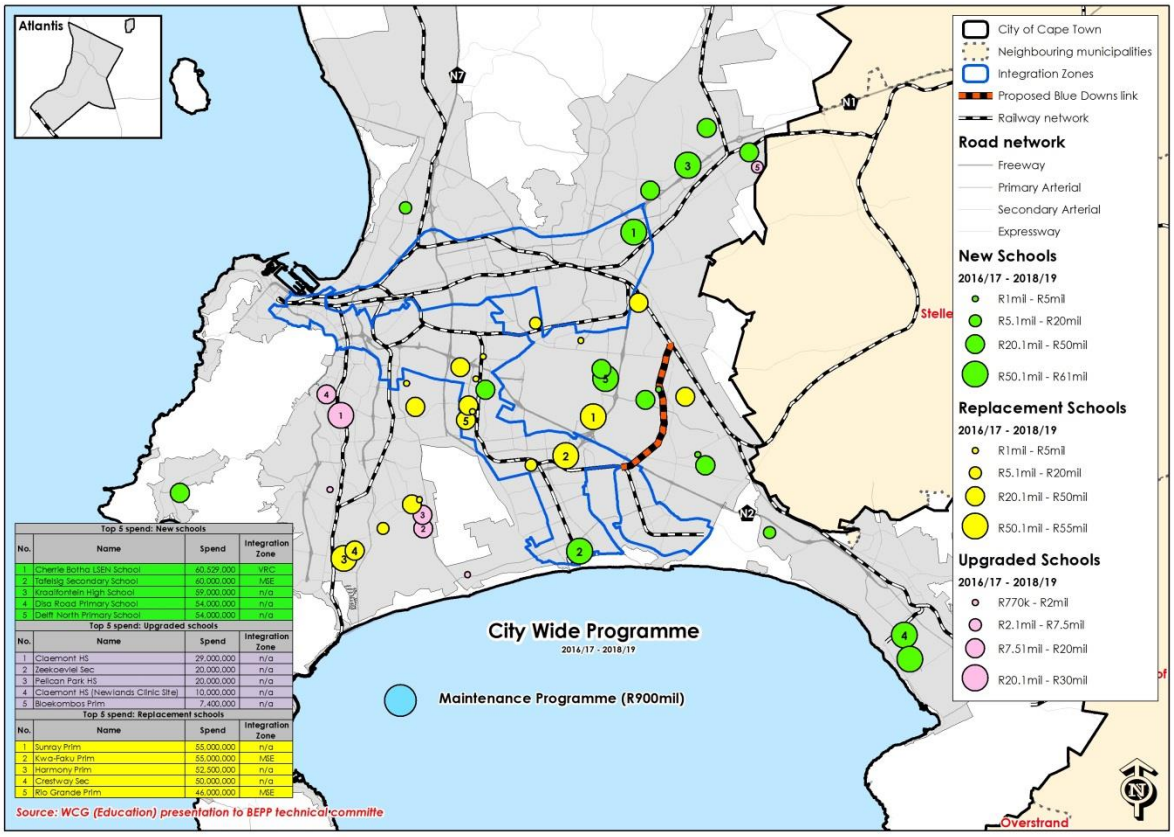
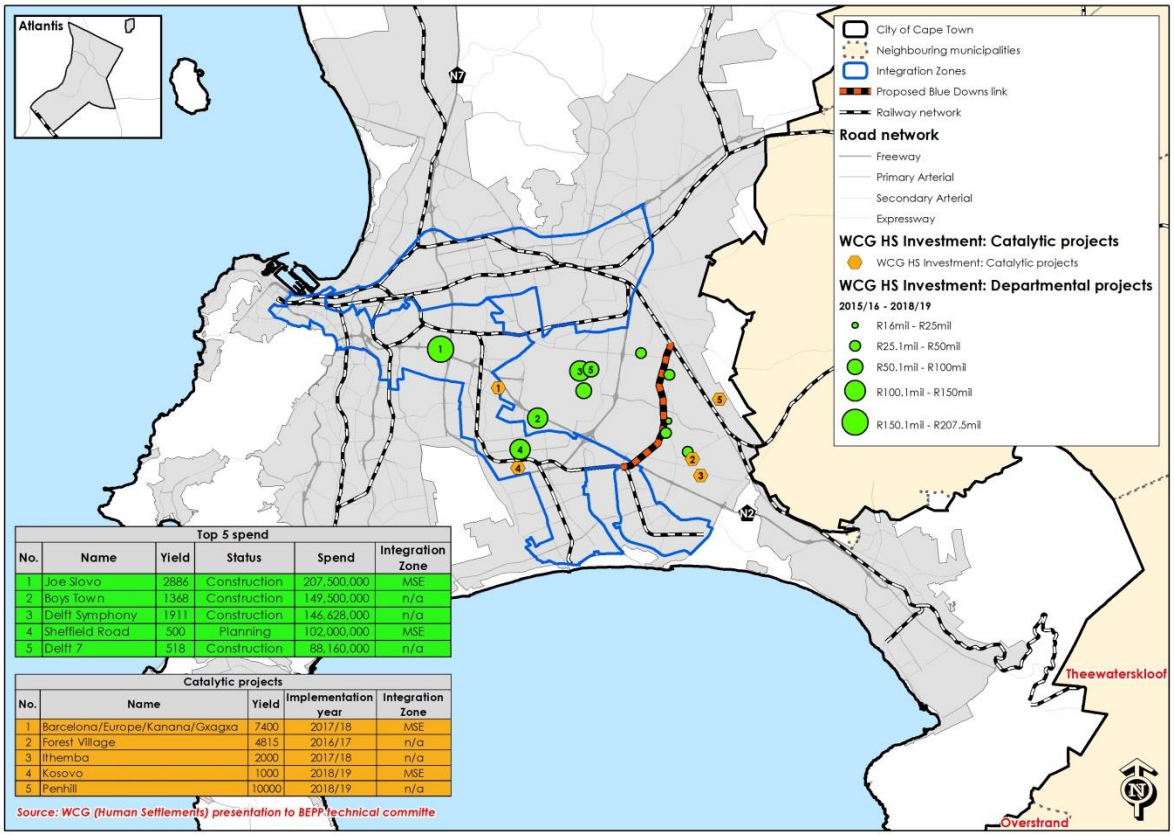


Diagram 30: WCG's Education Investment 2016/16 – 2018/19



Top 5 spend

No.	Name	Yield	Status	Spend	Integration Zone
1	Joe Slovo	2886	Construction	207,500,000	MSE
2	Boys Town	1368	Construction	149,500,000	n/a
3	Delft Symphony	1911	Construction	146,628,000	n/a
4	Sheffield Road	500	Planning	102,000,000	MSE
5	Delft 7	518	Construction	88,160,000	n/a

Catalytic projects

No.	Name	Yield	Implementation year	Integration Zone
1	Barcelona/Europe/Kanana/Gxagxa	7400	2017/18	MSE
2	Forest Village	4815	2016/17	n/a
3	Ithemba	2000	2017/18	n/a
4	Kosovo	1000	2018/19	MSE
5	Penhill	10000	2018/19	n/a

Source: WCG (Human Settlements) presentation to BEPP technical committe

Diagram 31: WCG's Human Settlements Investment 2015/16 – 2018/19

D2.3 State Owned Enterprises (SOES)

The City hosted a bilateral meeting with SOEs on 11th November 2015 to discuss and take note of their respective investment plans over the period 2016/17 to 2017/18.

Each SOE was invited to respond to the same questions presented to the WCG departments noted in D.2.2.

The full presentations made by the SOEs can be found via this link.

In future, the intention is to move this session bilateral to June/ July 2016 so that collaborative planning can be enhanced by considering the draft budget cycles of these entities recognising that these are a few months ahead of the City's.

The Passenger Rail Authority of South Africa (PRASA) envisaged investment is substantial and focused on 6 large programmes reflected in ***Diagram 32***.

Firstly, the Recapitalisation Programme which includes i) Rolling Stock Recapitalisation; ii) Depot Modernisation (Reinstating Philippi Yard); and iii) Re-signalling (Replacing radio communications).

Secondly, the Modernisation of the Metro South East Corridor Programme which focus on i) Asset protection; ii) Rail Reserve protection; iii) Access Control (Integrated Station Access Management Systems); and iv) Transport Interchanges.

A third programme is specific to Station upgrades planned or in process (Phillipi, Nolungile, Lentegeur, Mandalay, Bonteheuwel, Stock Road, Khayelitsha).

Fourthly, the commercialisation of stations and property development initiatives programme targets amongst others the Cape Town Station.

A fifth programme relates to city-wide Supporting Operations.

The Blue Downs rail link programme is a key public transportation infrastructure link for the City and together with City's supportive feeder routes spatially links the Integration zones described in Section B.

The monetary value of the investments on budget for the period 2016/17 to 2017/18 is indicated in the Diagram below.

The **Airport Company of South Africa (ACSA**) proposed investment in the city is substantial and reflected in the ***Diagram 33***.

ACSA's long term priorities are to run Cape Town as a well-operated airport with operational excellence and at the same time, develop the company's airports as assets to strengthen their global footprint. The top 3 projects under investigation is to conceptualise, determine the feasibility and partners in establishing an Aerotropolis. Work is also ongoing in terms of the extensive route expansion and attracting more international businesses.

ESKOM's envisaged investment is reflected in the ***Diagram 34***.

ESKOM and the City are co-suppliers of electricity to households and businesses. Transmission Station upgrades and development are important for the City to be able to link supporting infrastructure. The timeously completion of the investments on ESKOM's budget for the Firgrove, Erica and Phillipi Transmission Stations, are essential for the services the City provides.

TRANSNET National Ports Authority (TNPA) also participated in the bilateral and presented the outcome of the planning completed, to date, in respect of the harbour. The short term capital projects being implemented amount to an estimated R200-R250m per year from 2015/16 onwards this investment includes an upgrade of the ship repair and liquid bulk terminals and general asset rehabilitation (e.g. road, substation water infrastructure maintenance).

The upgrade to liquid bulk infrastructure will result in a 50% increase in operating capacity/ volumes for petroleum imports and refined products outputs (fuel)

In the medium-longer term the development of a new Cruise Terminal by a private sector consortium; and the Phakisa Initiative aimed at unlocking of ocean resources are investments that are being considered. It includes investigations on how to increase the maintenance capacity of oil rigs.

The Transnet Freight Rail (TFR) investment strategy (presented in (January 2015) is based on the Freight Transport Demand (national study). The focus is on operational implications of high road based freight patterns and opportunities for increasing rail based freight movement. In 2015, the City (via the TCT directorate) embarked on a Freight Strategy to increase alignment and joint planning with Transnet.

TFR is the owner of a number of highly strategic sites within the Voortrekker Road Corridor Integration Zone. The first of these is the highly strategic Bellcon site within the. A Land Use Plan and Development Strategy was recently development which emphasised a short term (0-5 years) plan to decrease the Transnet-used land (from 108 to 44Ha). The surplus land would be used to facilitate an increase in a) light industrial (from 28 to 59 Ha), b) warehousing/ distribution/ logistics (from 22 to 43Ha) and c) additional light industrial/ commercial (from 0 to 15Ha) activities.

A mixed used development at Bellville Station precinct of around 16Ha and Culemborg are other strategic sites owned and managed by Transnet with the VRCIZ that are subject to planning initiatives that can impact positively on the VRCIZ's strategic framework. ***Diagram 35*** illustrates the spatial location of these key investments.

The **South African Social Security Agency (SASSA)** participated in the SOE bilateral for the first time in November 2015. Although the input was more on the nature and scope of SASSA's clients in the Western Cape, efforts for 2016 will focus on collaborative planning especially on capital investments.

The Agency's aim is to facilitate Government's priority to reduce poverty through accelerated economic growth and the strengthening of the social security safety net. The Social Assistance program has been identified as government's most effective poverty alleviation tool. Expenditure on social security has tripled in the last decade from R37 billion in 2003/04 to R120 billion in 2014/15.

Nationally, social assisted beneficiaries have increased from 3.5 million in 1999 to 16.6 million in 2015. The Western Cape accounts for 8% of national beneficiaries (1,4million). This translates to approximately 23% of the Western Cape's population. The growth in the number of recipients in the Western Cape was almost double that of the national growth with between 2013 and 2015 (WC: 7.3% vs National: 4.3%). The growth in Grant-in-Aid in the Western Cape was 20.5% vs 53.4% nationally for the same period. Further, the growth in the number of children receiving grants in the Western Cape was almost four times the national growth 8.25% vs 2.8% (2013-2015).

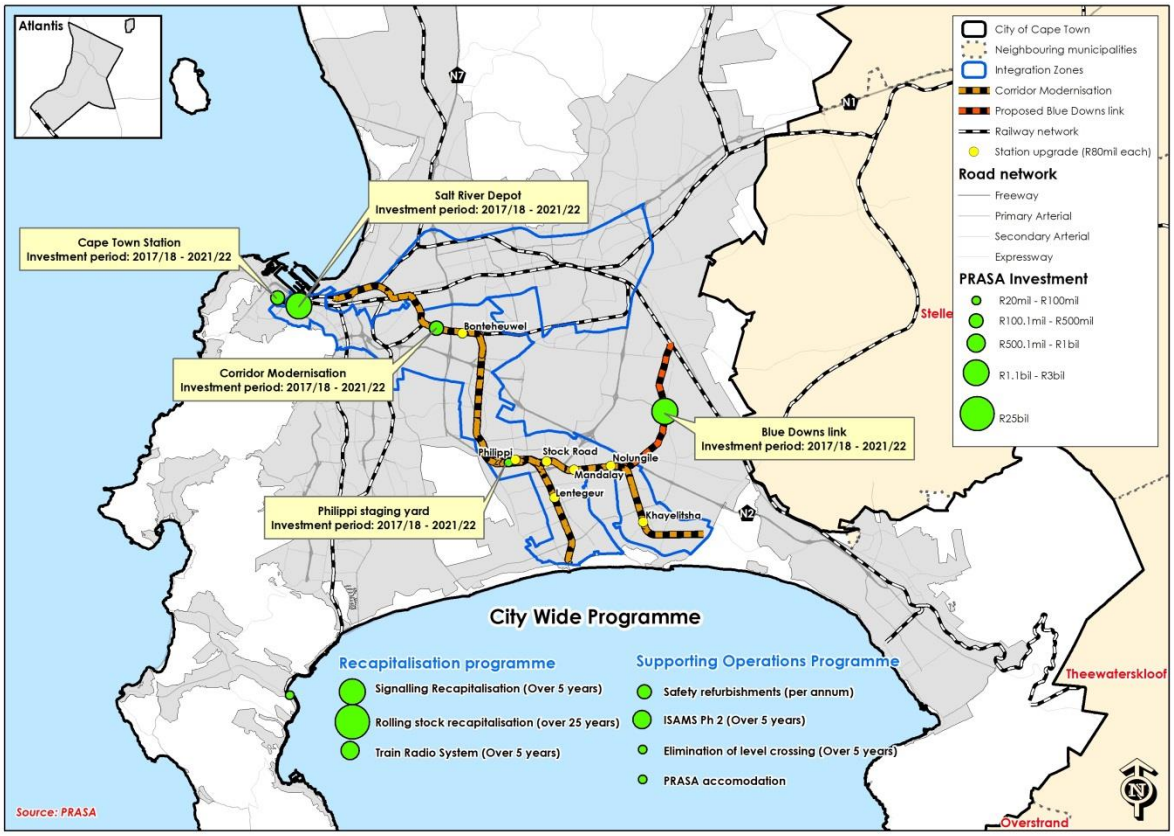


Diagram 32: PRASA long term investment programme

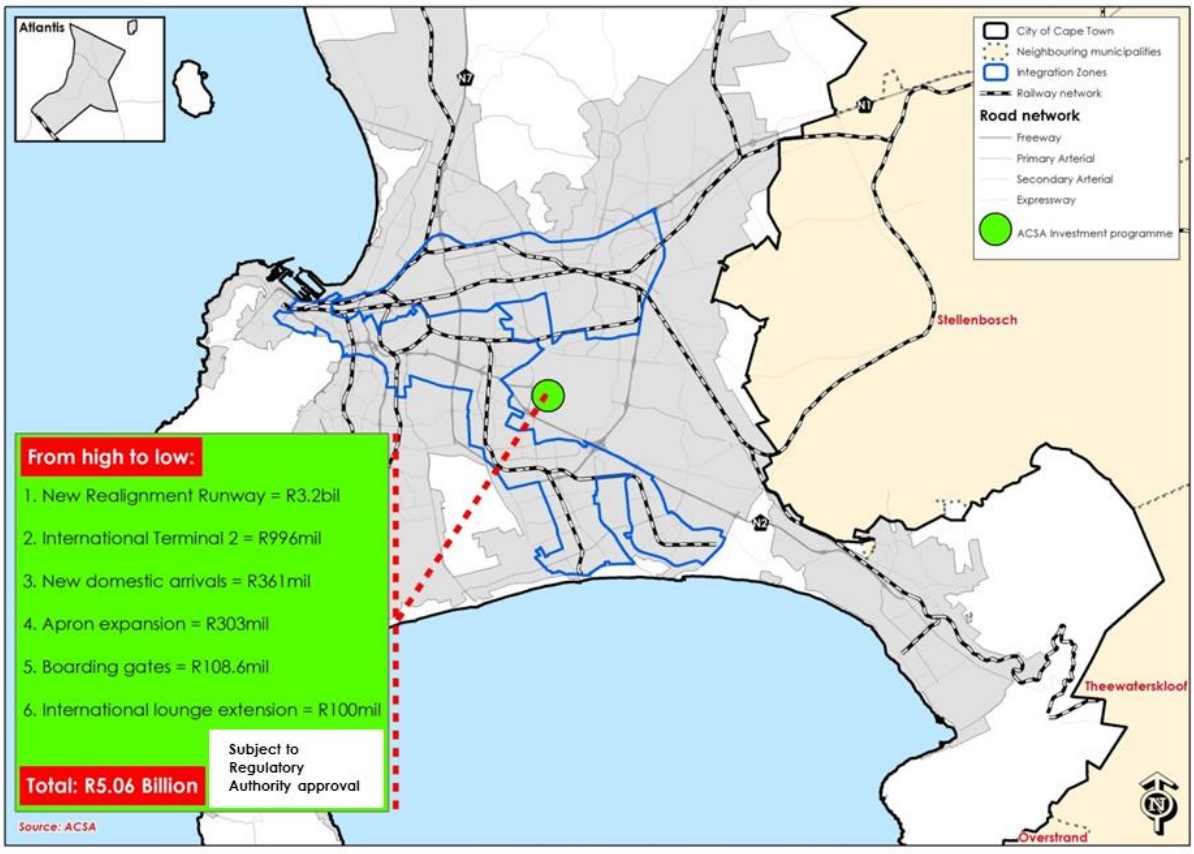
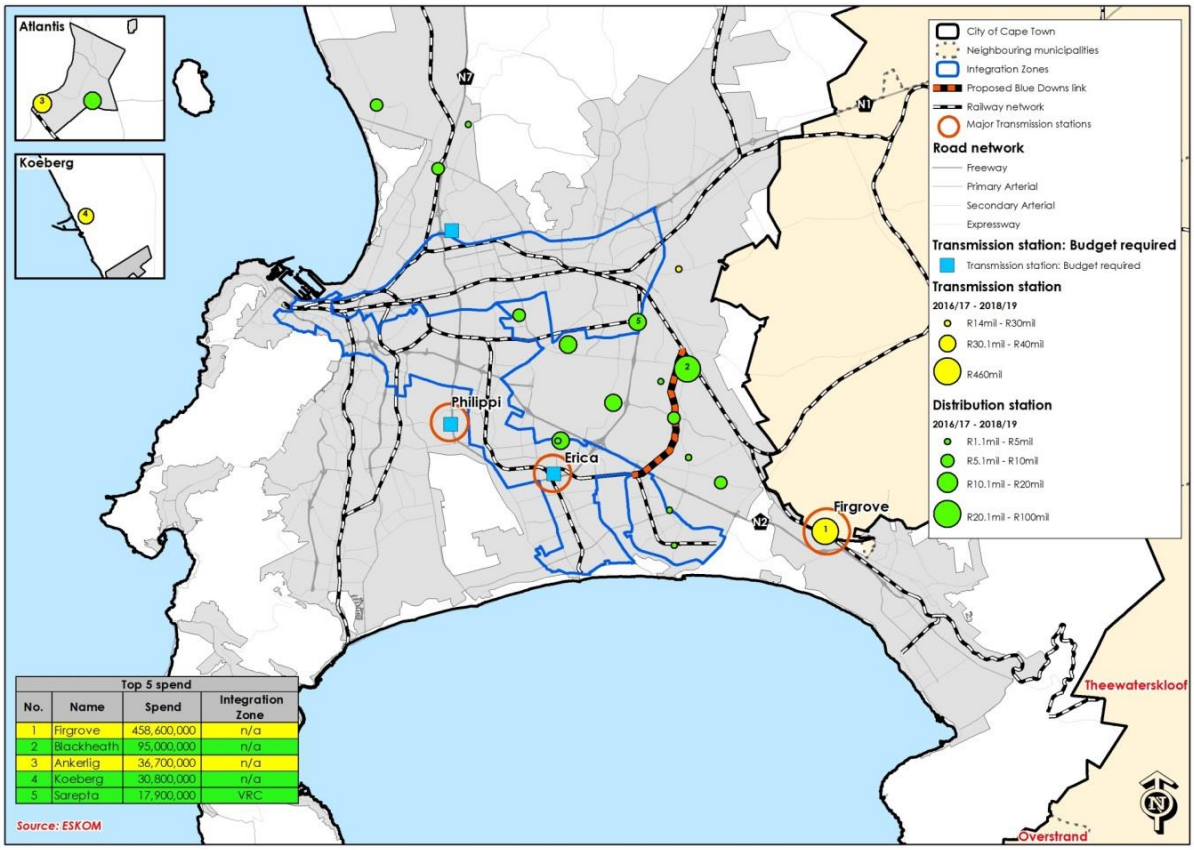


Diagram 33: ACSA long term investment programme



Top 5 spend			
No.	Name	Spend	Integration Zone
1	Firgrove	458,600,000	n/a
2	Blackheath	95,000,000	n/a
3	Ankerlig	36,700,000	n/a
4	Koeberg	30,800,000	n/a
5	Sarepta	17,900,000	VRC

Diagram 34: Eskom's prioritised list of projects for 2015/16 – 2018/19

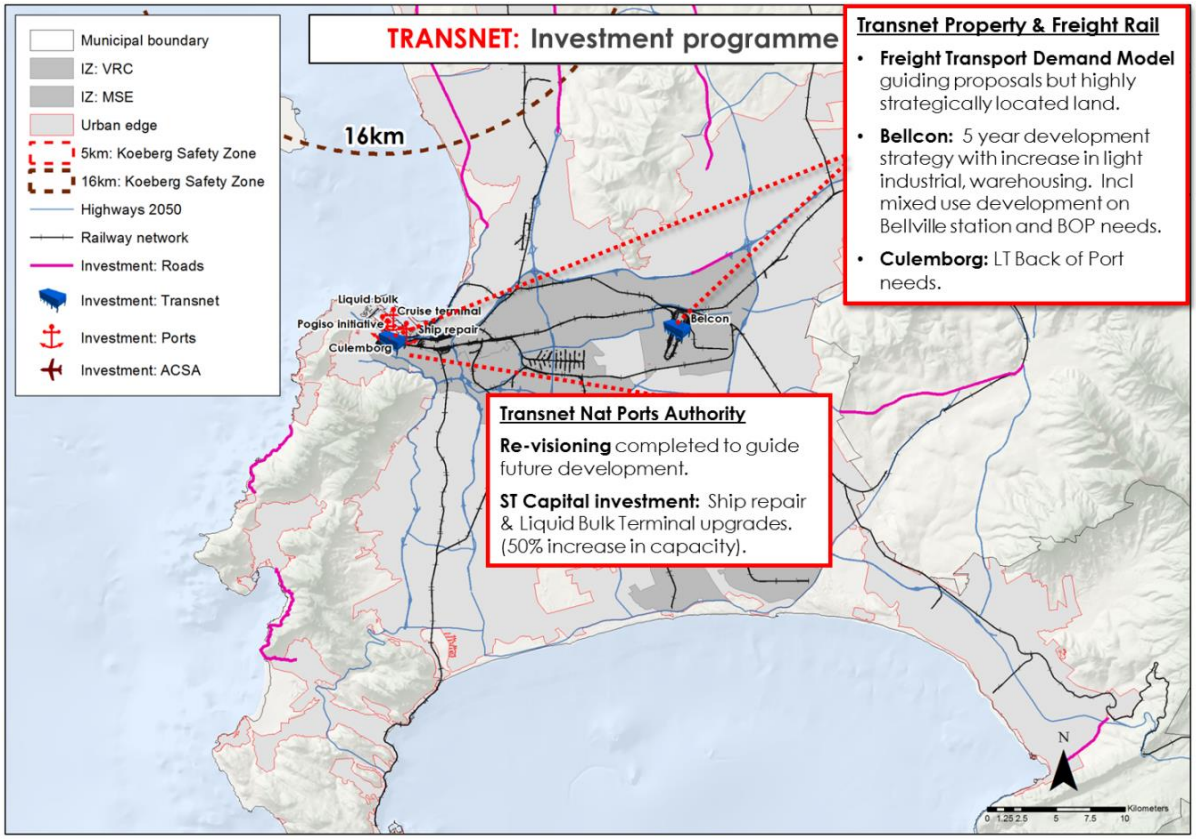


Diagram 35: TRANSNET's investment programme

E. IMPLEMENTATION

E1.1 Land Release Strategy

The City's collaborative approach to support land assembly initiatives within Integration Zones and the primary catalytic projects is articulated in Section C2 of this BEPP.

Additionally, the City's Property Acquisition Department is developing a policy for consolidated land acquisition to consolidate and secure land identification TOD nature as a direct project in support of the IHSF. The outcome of this initiative will be reflected in future BEPP reviews.

E1.2 Tenure Security

At a household scale there are a number of policy and practical initiatives underway to remedy and advance tenure security within the City. The following examples are indicative of commitments made to support new settlement initiatives for both individual households and social housing institution partners.

Tenure certificates: In partnership with the Violence Prevention through Urban Upgrading (VPUU) non-profit company, the City has issued Tenure Certificates to 80% of the 6,480 families in Monwabisi Park prior to the implementation of a UISP project. The certificates have been introduced to enhance the sense of security of tenure enjoyed by the resident households on a GIS registered plot. This confirms the size and configuration of plots and builds community ownership of the project as well as preventing further unplanned densification which can compromise the deliverability of the project.

The tenure certificate does not constitute a legal document and is not a title deed. Once the land use application is approved, a process of sub-division can begin with the end goal being the handover of title at as early a stage as possible. Title can be transferred from the City to the benefitting individual upon receipt of a serviced site and wet core. This allows top structure development as soon as the owner has the resources to do so.

This approach to tenure reform and progressive ownership is being discussed with other NGO partners like Community Organisation Resource Centre (CORC) to plot existing "erven" electronically and upload onto a GIS application for the purposes of widening the scope and reach of the programme.

Leasehold to Freehold title conversion: Under a directive from the State Attorney's Office leasehold titles will be converted to freehold titles in all former African townships directly benefiting existing leasehold tenants. Within the City this directive will impact on 2,400 serviced-site plots that are still to be finalised and 4,500 houses registered in the name of the National Housing Board.

Issuing of Title Deeds on project completion: Provincial Government policy guarantees the delivery of Title Deeds upon future project completion. To address historical backlogs in issuing Title Deeds the City is drafting policy to guide the rectification program, and has signed a co-operation and financing agreement with the *Free-market Foundation*.

Rental Accommodation and Partnership with Social Housing Partners: Well-located parcels of municipal land supportive of rental, mixed income and higher density developments have been made available to social housing partners and banks to build homes with bond finance. Twelve such parcels have been released for development by banks, while 90 have been released to emerging developers.

Legislative Reform to encourage household densification to increase supply of new housing opportunities by private households via rental units: Amendments to Municipal Planning Bylaw have been advertised to include a Third Dwelling Overlay zones. This provides certain areas with land use rights permitting a second and third dwelling on an erf and will enable private property owners to contribute to the provision of affordable rental housing stock.

E1.3 Social Infrastructure

The provision of social amenities is integral to the City's planning processes for upgrading and establishing new settlements. Nevertheless, sequencing and operationalisation of facilities remains a significant challenge; particularly given the inter-governmental dependencies on Provincial Departments when health and education facilities are required. This remains a key work-stream and process associated with and monitored via the BEPP process. This challenge was a key strategic theme considered at the Mid-Year Budget Review session in February 2015 and revisited in the workshop with Provincial Departments in October 2015.

The Council for Scientific and Industrial Research (CSIR) benchmarking study of community infrastructure (2014) calculated the accessibility and capacity of existing facilities as well as forecasted facility demand for the estimated population growth between 2011 and 2032. It covered the following sectors: Parks, Sport and Recreation, Community Halls/Civic Centres, Education, Primary Health, Fire, and Libraries. The projections for 2032 signals an important message to both the WCG and the CCT with regard to the current backlog and large growing demand for the provision of social facilities.

- The Metro South-East area continues to have the greatest demands and is compounded by population growth.
- Current investment in educational and primary health care facilities prioritises areas of high population growth.
- Future investment in social facilities should focus on:
 - expanding capacity through new facilities or upgrading existing facilities,
 - enhancing access to these facilities by improving public transport and integrating with new public transport infrastructure,
 - actively engaging with space allocation (erf sizes and building design) of facilities developing new models of co-location and clustering as well as multi-level facilities, and
 - a clear notion that developing new facilities on the outskirts of the city will exacerbate the backlog demand in the built-up part of the city.

The provision of Community Services to Informal Settlements will be aligned with targeted strategies and interventions of the Integrated Human Settlement Directorate (e.g. "Reblocking" and "Site and Service" programmes).

Social Services and Integrated Human Settlements will jointly determine the localised basic needs of specific informal settlement where after services will be provided taking the local challenges of land ownership, zoning, land availability, private sector partners, NGO's in the community, community structures, budget availability, ongoing management and maintenance ext. into consideration.

Different "standardised social facilities provision models" will be developed as a starting point. These models will then be further refined and adapted according to every locations challenges and realities. This approach is also part of the Integrated Human Settlement Framework (IHSF). A workgroup as part of the implementation of this framework have been established to drive the above-mentioned approach.

- Collaborative transversal planning to develop a new management model for multi-use, multi-ownership social facilities sharing a (good) location (currently a component

of the work being undertaken by the City's Optimisation Programme). There is a need to look at new institutional options for management of these facilities. A rationalisation project is a good starting point for this, but improved, integrated forward planning is essential.

- Cost containment and revenue generation for social facilities. This requires clear strategies and approaches. Property management functions should be centralised across facilities. Careful location planning is required to reduce risks of vandalism. Citizen engagement with district level planning should be prioritised. Private sector partners should be sought.
- The development of an operating finance strategy, in conjunction with capital investment programmes. There is a clear linkage with TOD planning that should be explored to ensure optimal facility location.

F. URBAN MANAGEMENT

F1.1 Precinct Management

This year's BEPP guideline highlights the significance of urban management as an integral component of the Built Environment Value Chain. It recognises the importance of maintaining and protecting public and private investments and assets in a formal and institutionalised manner. This section recaps the approaches being employed within and beyond the Integration Zones.

Aside from maintaining a standard of routine urban management services, the City of Cape Town uses a number of mechanisms to promote improved precinct management within priority areas:

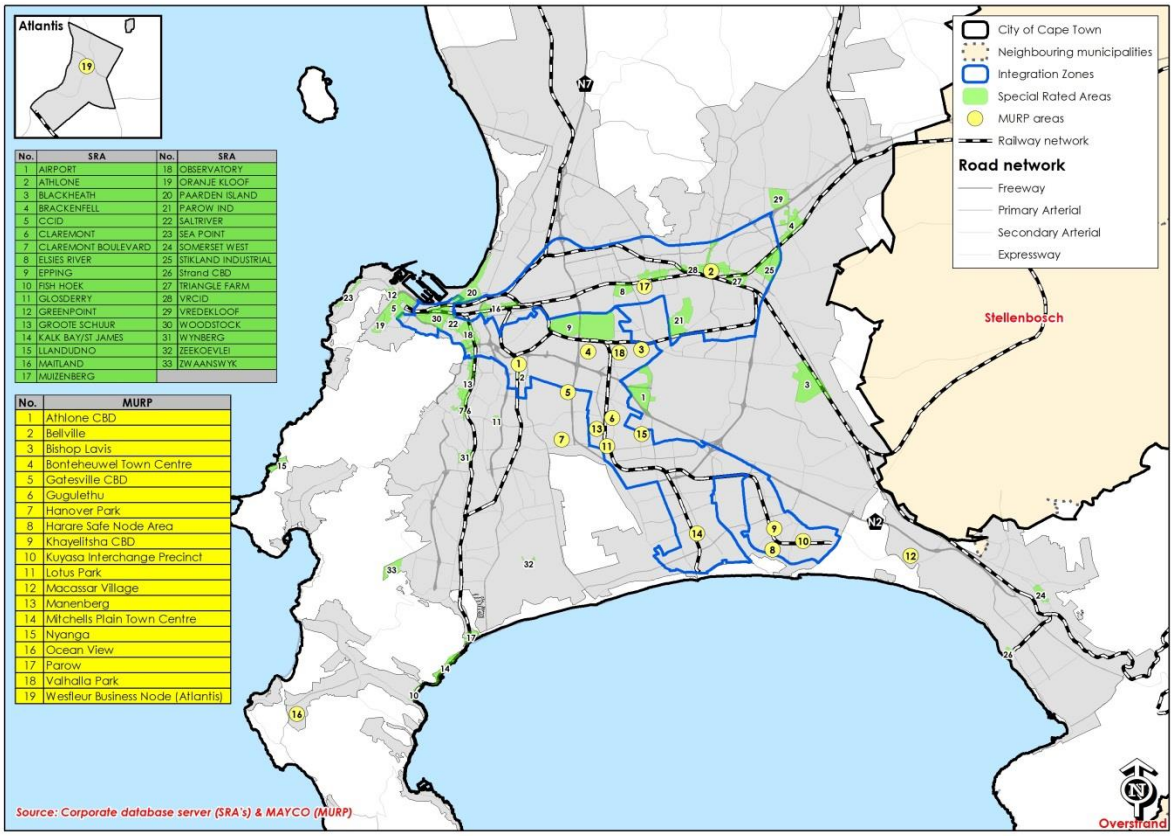
- **Special Rating Areas (SRAS) incorporating City Improvement Districts (CIDs – Diagram 36)** have been successfully implemented in many metropolitan and sub-metropolitan nodes and industrial areas. SRAs are presently in place in the following locations: Airport*; Athlone*; Blackheath; Brackenfell; Cape Town Central*; Claremont; Epping*; Fish Hoek; Glosderry; Green Point; Groote Schuur*; Kalk Bay St James; Llandudno; Maitland*; Muizenberg; Observatory*; Oranjekloof; Paarden Eiland*; Parow Industria*; Salt River*; Stikland*; Sea Point; Triangle Farm*; Vredekloof; Woodstock*; Wynberg; Zeekoevlei Peninsula; Zwaanswyk Association. (* = located within or adjacent to an Integration Zone).

- In the City's metropolitan nodes (Cape Town and Bellville CBDs) the SRA initiatives have been complemented by the City entering into partnerships with the private sector to promote investment and investment retention in these nodes, namely the **Greater Tygerberg Partnership (GTP)** and the **Cape Town Partnership (CTP)**.

 The **Mayoral Urban Regeneration Programme (MURP)** has identified a number of declining CBD's, town centres and community nodes where **Area Coordinating Task Teams (ACTTs)** have been established. MURP areas include: Athlone CBD (Urban Hub as per Urban Network Strategy and MSEIZ); Bellville Transport Interchange and Voortrekker Road Corridor; Bishop Lavis, Valhalla Park, Bonteheuwel; Gatesville CBD (MSEIZ); Harare and Kuyasa Transport Interchanges(MSEIZ); Macassar; Manenberg, Hanover Park (MSEIZ); Mitchells Plan Town Centre (Urban Hub as per Urban Network Strategy and MSEIZ); Nyanga/Guguletu (MSEIZ); Ocean View; Parow (Voorterkker Road Corridor); and Wesfleur Business Node (Atlantis) (***Diagram 36***). Under the leadership of the relevant sub-councils, the ACTTs include all relevant Council line departments as well as other stakeholders and local community representation. They employ short term urban management solutions and oversee the development of a more comprehensive community action planning process that draw from the best practices developed under the Violence Prevention through Urban Upgrading Programme.

 The above is premised on a strong social crime prevention approach. Work is progressing towards the realisation of a community policing programme and integrated neighbourhood safety programme based on the work piloted by MURP in areas presently suffering from severe gang activity.

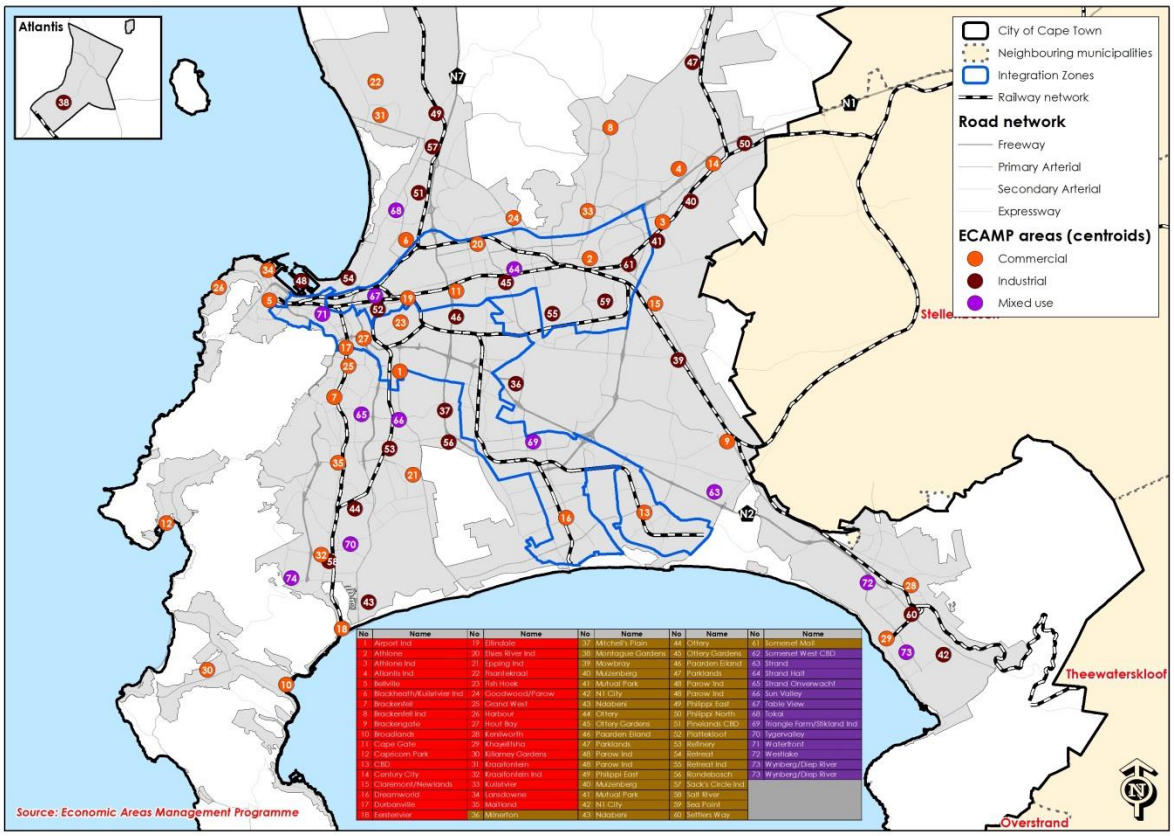
 In addition to resources available via the MURP playing a catalytic or 'unblocking' role around minor urban management issues that struggle to receive attention, ICDG allocations have invested in supportive urban management infrastructure such as CCTV installations and improvement of public spaces. Voorterkker Road Corridor Integration Zone in particular has benefited from these investments.



No.	SRA	No.	SRA
1	AIRPORT	18	OBSERVATORY
2	ATHLONE	19	ORANJE KLOOF
3	BLACKHEATH	20	PAARDEN ISLAND
4	BRACKENFELL	21	PAROW IND
5	CCID	22	SALTRIVER
6	CLAREMONT	23	SEA POINT
7	CLAREMONT BOULEVARD	24	SOMERSET WEST
8	ELSIES RIVER	25	STIKLAND INDUSTRIAL
9	EPPING	26	Strand CBD
10	FISH HOEK	27	TRIANGLE FARM
11	GLOSDERRY	28	VRCID
12	GREENPOINT	29	VREDEKLOOF
13	GROOTE SCHUUR	30	WOODSTOCK
14	KALK BAY/ST JAMES	31	WYNBERG
15	LLANDUDNO	32	ZEEKOEVLEI
16	MAITLAND	33	ZWAANSWYK
17	MUIZENBERG		

No.	MURP
1	Athlone CBD
2	Bellville
3	Bishop Lavis
4	Bonteheuwel Town Centre
5	Gatesville CBD
6	Gugulethu
7	Hanover Park
8	Harare Safe Node Area
9	Khayelitsha CBD
10	Kuyasa Interchange Precinct
11	Lotus Park
12	Macassar Village
13	Manenberg
14	Mitchells Plain Town Centre
15	Nyanga
16	Ocean View
17	Parow
18	Valhalla Park
19	Westlleur Business Node (Atlantis)

Diagram 36: Special RatingAreas (SRAs) and Mayoral Urban Regneration Prgramme (MURP) Areas



No	Name	No	Name	No	Name	No	Name	No	Name
1	Airport Ind	19	Elfindale	37	Mitchell's Plain	44	Ottery	61	Somerset Mall
2	Athlone	20	Elsies River Ind	38	Montague Gardens	45	Ottery Gardens	62	Somerset West CBD
3	Athlone Ind	21	Epping Ind	39	Mowbray	46	Paarden Eiland	63	Strand
4	Atlantis Ind	22	Fisantekraal	40	Muizenberg	47	Parklands	64	Strand Hart
5	Bellville	23	Fish Hoek	41	Mutual Park	48	Parow Ind	65	Strand Onverwacht
6	Blackheath/Kuilsrivier Ind	24	Goodwood/Parow	42	N1 City	49	Parow Ind	66	Sun Valley
7	Brackenfell	25	Grand West	43	Ndabeni	49	Philippi East	67	Table View
8	Brackenfell Ind	26	Harbour	44	Ottery	50	Philippi North	68	Tokai
9	Brackengate	27	Hout Bay	45	Ottery Gardens	51	Pinelands CBD	69	Triangle Farm/Stikland Ind
10	Broadlands	28	Kenilworth	46	Paarden Eiland	52	Plattekloof	70	Tygervalley
11	Cape Gate	29	Khayelitsha	47	Parklands	53	Refinery	71	Waterfront
12	Capricorn Park	30	Killarney Gardens	48	Parow Ind	54	Retreat	72	Westlake
13	CBD	31	Kraaifontein	48	Parow Ind	55	Retreat Ind	73	Wynberg/Diep River
14	Century City	32	Kraaifontein Ind	49	Philippi East	56	Rondebosch	73	Wynberg/Diep River
15	Claremont/Newlands	33	Kuilsrivier	50	Muizenberg	57	Sack's Circle Ind		
16	Dreamworld	34	Lansdowne	41	Mutual Park	58	Salt River		
17	Durbanville	35	Maitland	42	N1 City	59	Sea Point		
18	Fernhelvier	36	Milnerton	43	Ndabeni	60	Settlers Way		

Diagram 37: Economic Areas Management Programme (ECAMP) nodes

- The city continues to place an emphasis on evidence based policy making, planning and in the design of interventions to address urban issues. The **Economic Areas Management Programme (ECAMP)** specifically has designed a tool that informs the appropriate suite of urban management interventions to apply in our economic or commercial/ industrial areas that is tailored to the City's understanding of where these areas are in their development cycle ***(Diagram 37)***.

- The City's **Quality Public Spaces Programme** and the **Smart Park Programme** are efforts to implement, through design, the principles of equity, integration and sustainable development in poor areas. In so doing, the City aims to improve accessibility, quality of life, and dignity for all. The philosophy behind the programme is that urban design can be a catalyst for positive change and effective urban management. The programme delivers a visible and tangible way of reconnecting communities and addressing issues of equality and social justice. The programme has grown to include the provision of a dignified community space as part of each informal settlement upgrade project. This sees a move away from the traditional approach in which the menu of services provided is limited to engineering services. Many projects include the recognition and celebration of places of cultural, historical, and social significance in communities. Since 1999, the programme has delivered more than 100 projects.

- Presently, line departments remain responsible for their respective daily operational costs relating to urban management like cleansing and periodic repairs and maintenance of own assets. The greater challenge face by the City in relation to the management of precincts and assets is in relation to an integrated financial and operational model associated with multi-departmental facilities that can realise greater efficiencies and enhanced standards of maintenance. The City has established a Transversal Working Group under the Economic Cluster working on the **Rationalisation of City Assets**. One of its primary tasks is to consider co-management approaches for land and buildings developed by the different departments of the municipality: for example, a library development with a large urban park, adjacent to a BRT and rail station, where retail units funded and constructed by council are leased out to private business.

 Work is progressing to produce financial and practical urban management models based on an institutional framework which can support this urban management institutional framework. At least 3 cases exist in need of solution and is being piloted in Harare, Khayelitsha (MSEIZ) as a legacy of the Violence Prevention through Upgrading Programme.

F1.2 Incentives

In 2013, the City approved an Investment Incentives Policy that aims to incentivise private sector employment creation, through new investments or expansions of existing investments in the city. To be eligible for incentives, these investments must be in a sector that enhances the value-added production capacity. The focus of the policy is on incentive levers that lie within the City's constitutional mandate, specifically relating to reduced approval times; simplified application processes; single point development facilitation; provision of investment information; as well as a limited range of indirect financial incentives including reduced electricity tariffs.

Initially, the incentive policy was rolled out in Atlantis. Initial analyses suggest positive and tangible results. The policy is being reviewed in respect of its application in the rest of the City. It now includes a spatial targeting component that aims to identify underperforming industrial areas adjacent to or within the Integration Zones where the incentive can be applied.

Areas being considered for this targeting include Philippi East, Landsdowne Rad Industrial Area, Athlone Industrial, Elsies River Industrial and Triangle Farm/Stikland. The aim of applying the investment incentives in these key employment nodes, in combination with the enhanced focus of public sector investment in the form of public transport and services infrastructure, will move these areas towards a point where the benefits of economies of agglomeration can be realised and private sector investment can be leveraged.

F2: Transport Management

The **Inter-modal Planning Committee** set up in terms of the Municipal Land and Transport Act also serves as mechanism to deal with urban management issues inter-governmentally around public transport precincts. Work being undertaken by Transport for Cape Town on its **industry transition model** also presents exciting opportunities for improving the management of public transport interchanges which is often a key issue in the sustainable management of urban precincts.

In 2015 TCT awarded the **Automated Public Transport Management System (APTMS)** contract for the development, implementation and operation of a system to manage public transport service in real time to improve public transport service delivery. Initially applicable to the MyCiTi service, it is expandable to a multimodal system as functions are assigned to TCT in future. In addition, TCT in collaboration with Metrorail are using train efficiency data to improve the annual calculation of the Transport Development Index (TDI) which enables TCT to track, over time, the effect and benefit of operational improvements made to the systems as well as identifying areas for further improvement to the transport systems from a "user" perspective.

G. INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

G1: Cross-Cutting Intuitional Arrangements

The following section outlines other strategic transversal efforts to improve institutional arrangements and alignment of planning and implementation.

Three key aspects are considered, namely

- Grant Alignment
- Transversal Management; and
- Project Portfolio Management (PPM)

G.1.1 Grant Alignment (see also Annexure D)

During 2014/15 significant progress was made in establishing principles for the alignment of key infrastructure investments – particularly those of the Human Settlements and Transportation sectors. In April 2015, the political leadership approved a set of proposals aimed at improving the alignment in the implementation of long term infrastructure investment plans. The BEPP process was pivotal in facilitating the discussion and presentation of findings prior to the approval of the report. The subsequent reflections of the process in BEPP 2015/16 worked towards illustrating a coherent and aligned public investment strategy within the City and with its public sector partners – a key requirement of the BEPP process and plan. It also began to amplify a number of shortcomings within the approaches (see conclusion of BEPP 2015/16).

Notwithstanding the report's emphasis of the human settlements and transportation sectors, the majority of the principles were transversal in nature and have far-reaching implications for infrastructure provision, land assembly; route prioritisation of public transport; the integration of social facilities with transport infrastructure and the implementation of the IHSF. Further, the principles recognised the critical importance of continuing to invest in the maintenance and performance of existing City-owned infrastructure that enables service delivery.

A longer-term goal for the City is to institutionalise strategic screening of candidate grant funding projects and alignment to Strategic Criteria aimed at achieving spatial restructuring via the SAP Portfolio and Project Management (PPM) module. Work is on-going to develop the thinking and technical approaches to realise a more systematic institutional solution. In the interim, a strategic screening tool – comprising a questionnaire and supportive GIS viewer - has been introduced into this year's capital budgeting process to test the spatial and strategic alignment of proposed grant funded capital projects. The questionnaire tested the extent to which proposed project supported key strategic and spatial priorities, including:

- Promoting alignment to the City's Integrated Development Plan, Economic Growth Strategy and Social Development Strategy
- Strengthening spatial consolidation
- Supporting Transit-Oriented Development
- Maintaining and expanding access to basic service infrastructure
- Establishing integrated programmes of investment in targeted areas;
- Addressing socio-economic need
- Enabling economic growth
- Prioritising potential catalytic projects – with the potential to unlock opportunities.

Where appropriate this scoring has been linked to an assessment of the location of a project in terms of a particular spatial location (or the project's influence on a catchment / distribution area). The tool was used to assist in assessing the strategic alignment of the Top 100 capital projects and all new grant-funded projects (roughly covering 90% of the opex and capex budgeted amounts).

Table 15: Strategic Screening Alignment Themes

Q	Strategic theme	Priorities: Alignment of Capital Budgets (as per report approved by Joint Cluster)
1	Strategy alignment	Support the strategic objectives of the City – as articulated in the Integrated Development Plan, the Economic Growth Strategy, and the Social Development Strategy
2	Spatial consolidation	Support the consolidation of the City footprint - in recognition of the fact that the consolidation of the City footprint can (i) enhance the efficiency of the public transport network, (ii) ensure that people are located closer to economic opportunities and social amenities, and (iii) promote efficiencies in basic service provision.
3	Transit-Oriented Development	Prioritise projects that support the City's objectives with regard to Transit Oriented Development and enhancing the efficiency of the public transport network
4	Basic service infrastructure	Maximise opportunities to leverage existing basic service infrastructure (and recognising the need to maintain the City's existing infrastructure)
5	Integrated investment programme	Prioritise projects that are planned as part of a programme of interventions to improve City infrastructure and services in a particular area (and recognising the need for social facilities as part of an integrated approach to human settlements)
6	Socio-economic need	Prioritise projects in areas where citizens are in greatest need (as determined by socio-economic indicators derived from the Census)
7	Enabling economic growth	Facilitate economic growth by focusing investment in growth-enabling infrastructure in areas of high economic potential, but lagging levels growth and investment
8	Impact	Prioritise catalytic projects with the potential to unlock opportunities for crowding in investment in priority areas - as articulated in the Built Environment Performance Plan (BEPP)

Results of the screening are used for illustrative purposes in ***Diagrams 38 – 41***.

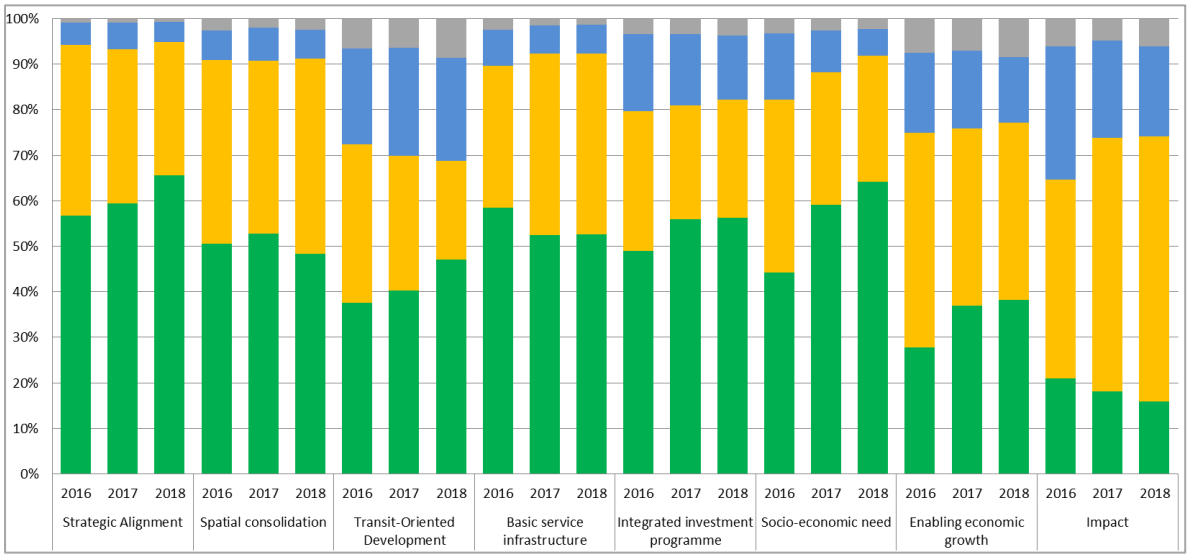
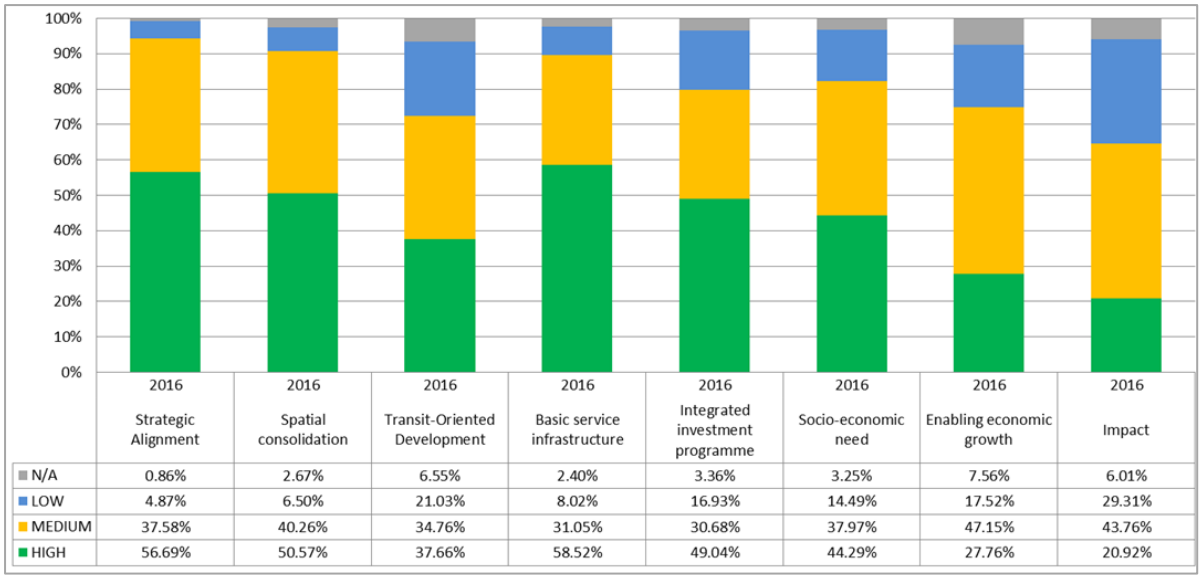
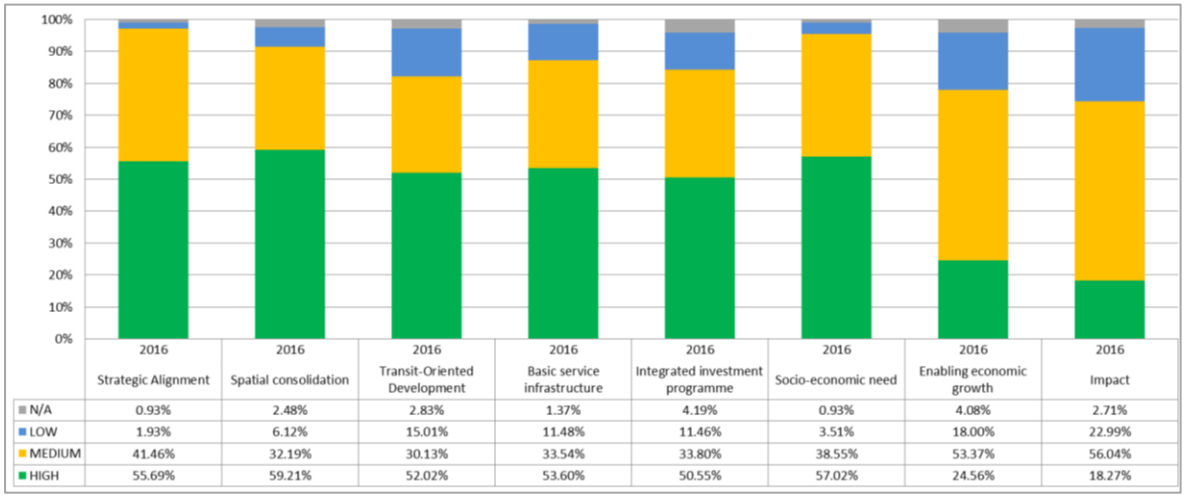


Diagram 38: Alignment Results: All fund Sources: Capex/Opex -Summary View by Themes (Total Budget Screened R18bn = 83% Coverage of Provisional Allocations 2015/2016 – 2017/18)



	2016 Strategic Alignment	2016 Spatial consolidation	2016 Transit-Oriented Development	2016 Basic service infrastructure	2016 Integrated investment programme	2016 Socio-economic need	2016 Enabling economic growth	2016 Impact
N/A	0.86%	2.67%	6.55%	2.40%	3.36%	3.25%	7.56%	6.01%
LOW	4.87%	6.50%	21.03%	8.02%	16.93%	14.49%	17.52%	29.31%
MEDIUM	37.58%	40.26%	34.76%	31.05%	30.68%	37.97%	47.15%	43.76%
HIGH	56.69%	50.57%	37.66%	58.52%	49.04%	44.29%	27.76%	20.92%

Diagram 39: Alignment Results All fund sources: Capex/Opex -Summary View by Themes (Total Budget Screened R7Bn = 86% Coverage of 2015/2016 Budget)



	2016 Strategic Alignment	2016 Spatial consolidation	2016 Transit-Oriented Development	2016 Basic service infrastructure	2016 Integrated investment programme	2016 Socio-economic need	2016 Enabling economic growth	2016 Impact
N/A	0.93%	2.48%	2.83%	1.37%	4.19%	0.93%	4.08%	2.71%
LOW	1.93%	6.12%	15.01%	11.48%	11.46%	3.51%	18.00%	22.99%
MEDIUM	41.46%	32.19%	30.13%	33.54%	33.80%	38.55%	53.37%	56.04%
HIGH	55.69%	59.21%	52.02%	53.60%	50.55%	57.02%	24.56%	18.27%

Diagram 40: Alignment Results Grant Fund Sources Capex/Opex -Summary View by Themes (Total Budget Screened R3.8Bn = 91% Coverage of 2015/2016 Budget)

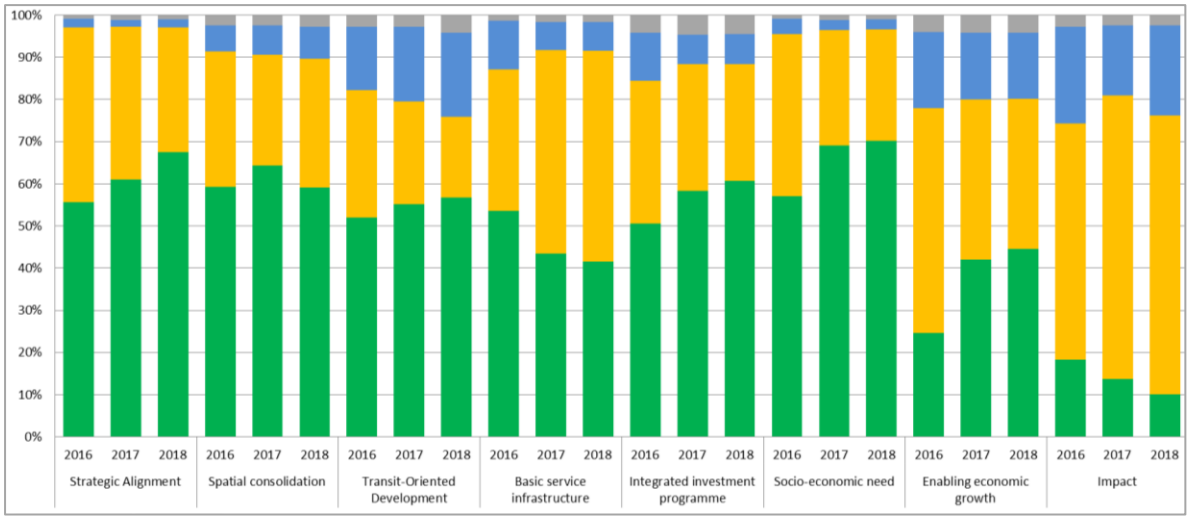


Diagram 41: Alignment Results Grant Fund Sources Capex/Opex -Summary View by Themes (Total Budget Screened R9.6Bn = 92% Coverage of Provisional Allocations 2015/2016 – 2017/18)

The CPMU co-ordinated a group of contractual project managers who undertook the Project Readiness and Strategic Analysis as recorded in the Project Portfolio Management (PPM) System (a SAP-based capital programme and project management tool for long term pipeline progress tracking).

The strategic alignment screening process was established to ensure that key components of alignment principles politically endorsed in 2015 were embedded in the grant budget prioritising process. The outcomes of the project readiness and strategic analysis aimed at confirming a project's adherence to the spatial targeting criteria set by the Mayor and senior management.

Effectively this process substituted the early stages of work of the Grant Process Review Committee (GPRC) a Section 80 Committee established in 2014 to prioritise grant funding applications. The analysis process increased awareness of the spatial targeting focus of the capital programme into the project management level of the organisation and effectively implied that wider awareness was established to preferred locations for investment.

The automation of the capital project strategic targeting analysis and prioritisation initiative is to be expanded in 2016/17 through the integration of a spatial targeting tool and the Strategic Analysis Questionnaire into the SAP-based PPM system once technology adaptions have been concluded. The value of the project lies specifically in the pre-analysis of projects and clearer direction for the grant allocation (within the constraints of the grant conditions).

G.1.2 Transversal Management System[5]

The City of Cape Town is structured in hierarchical line directorates which enables specialisation in specific areas and provides a clear chain of accountability.

However, this type of organisation has its shortcomings, as each directorate is vertically isolated in its own 'silo' with minimal horizontal links between directorates and departments within directorates.

This may result in:

- decisions made in isolation from other departments
- contradictory approaches to single issues
- duplication of work
- missed opportunities in improving service delivery
- difficulties implementing coordinated strategy

The 'silo approach' does not deal effectively with issues requiring the efforts of multiple departments and directorates. In an increasingly complex delivery environment, many of the problems the City aims to address require multiple departments to work together.

The purpose of the Transversal Management System is to:

- ensure that the City's directorates collaborate in the delivery of services;
- improve integration and coordination of service delivery and planning by creating structures in which political leadership, senior managers and officials can work together and communicate;
- change organisational culture within an existing statutory and delegated framework from hierarchical and silo to integrated and coordinated;
- improve strategic alignment through inclusive strategic planning processes to improve integration and coordination of service delivery and planning;

[5] Source: wording courtesy: capetown.gov.za

- complement the existing hierarchical structure in which it operates, but with additional platforms for cross-directorate communication and decision making;
- ensure that directorates collaborate around identified themes and through 'organic' groupings (issues falling into the mandate of multiple departments).

All elements of the Transversal Management System report to the Mayoral Committee. Two cluster committees are constituted under the themes of Social and Economic issues. Membership of each committee is organised by relevance to economic or social activities. Committees comprise relevant Mayco members, Executive Directors and portfolio committee chairpersons, while the Executive Management Team (EMT) is responsible for the work within the cluster system.

EMT sub-committees are grouped around the Social and Economic Cluster Management Committees (SCMC and ECMC respectively).

Various departments create work groups focused on specific issues, under the guidance, and reporting to, the management committees. The activities are informed by the 5 Strategic Focus Areas identified in the Integrated Development Plan, as well as the City Development Strategy and the OneCape Strategy, the Economic Growth Strategy and the Social Development Strategy.

G1.3 Project Portfolio Management[6]

With the increasing scarcity of resources in capital and technical skills and the mounting pressure to continuously improve service delivery, organisations are turning to project portfolio management (PPM) to improve the effective and efficient delivery of capital project portfolios.

The City is faced with an environment that is becoming more complex and interdependent because of the increase in projects. Discussions and workshops across the organisation previously identified a broad requirement in relation to PPM processes and practices to improve the planning, selection and execution of capital projects thus improving capital expenditure.

Project portfolio management enables the alignment of projects with organisational strategy, thus enabling the effective allocation of resources to projects and improving delivery. It can deliver positive impact to an organisation, providing senior management with reliable information to support decision-making processes and enabling operational transparency of projects.

The internal PPM project is an innovative first in local government in South Africa. Using the SAP PPM function, it entails a holistic multi-disciplinary approach to the design, implementation and support of capital projects from a people, process and technology perspective.

In late 2012, a specific 'discovery phase' was initiated to explore and understand how PPM could help the City achieve its objectives. The discovery phase entailed a number of interactions with key stakeholders including the Mayoral Committee, the Executive Management Team, and managers from Finance, Human Resources, Information Systems & Technology and other departments. This included a high-level analysis of current processes, introductory sessions to PPM theory, and the development of conceptual models to outline possible changes and actions from a solution (process and technology) design perspective. The phase also took into consideration the current project management policy framework, key business drivers, and problems and opportunities.

[6] Source: wording courtesy: capetown.gov.za

Based on the discovery phase, a business project to implement PPM was initiated. This includes:

- the creation of an organisation-wide PPM framework, processes and supporting systems so that consistent standards are applied in the planning and execution of projects;
- an integrated system to enable longer-term multi-year planning (5+ years) of capital projects; and
- an organisation-wide view of capital projects aligned to strategy and objectives.

The vision is to successfully implement standard PPM practices, processes and supporting technology within the City in order to achieve the following:

- Enabling better up-front planning and screening of capital projects to ensure that the most feasible and implementable projects are submitted for funding in the budget cycle;
- Shifting the focus from 'budgeting' to planning capital projects over a longer term
- Supporting the alignment of projects with strategy and objectives;
- Improving the successful delivery and tracking of capital projects; and
- Improving up-front capital planning and delivery.

H. REPORTING AND EVALUATION

H1: Reporting and Evaluation

The City of Cape Town has taken note of Sections 3.2.2, 3.2.5, 5 and 6 of the BEPP Guideline Document (21 October 2015) relating to Reporting and Evaluation. The City remains an active participant to the Indicator Framework and BEPP/ Built Environment Indicator[7] design process. To date CCT has submitted several sets of written comments to National Treasury / City Support Programme (NT/ CSP).

Note was taken of the latest version of the 54 BE (Built Environment) Indicators as received in December 2015; the discussions at the workshop held in Pretoria on 30th October 2015; and on-going internal and collaborative engagements between City and NT officials. The content within this section reflects the understanding and update by City officials

The City has greater clarity regarding the "line-of-sight" (the inputs, activities, outputs outcomes and impacts) and "theory of change" concept by the NT/ CSP regarding the position and the role of integrated outcome and impact indicators. It is understood that the "theory of change" will also be the context of the measuring of the impact of the Investment Frameworks to be implemented, drafted as part of the Integration Zone Strategies for Voortrekker Road and Metro South East. The framing of this concept is reflected in ***Diagram 42***.

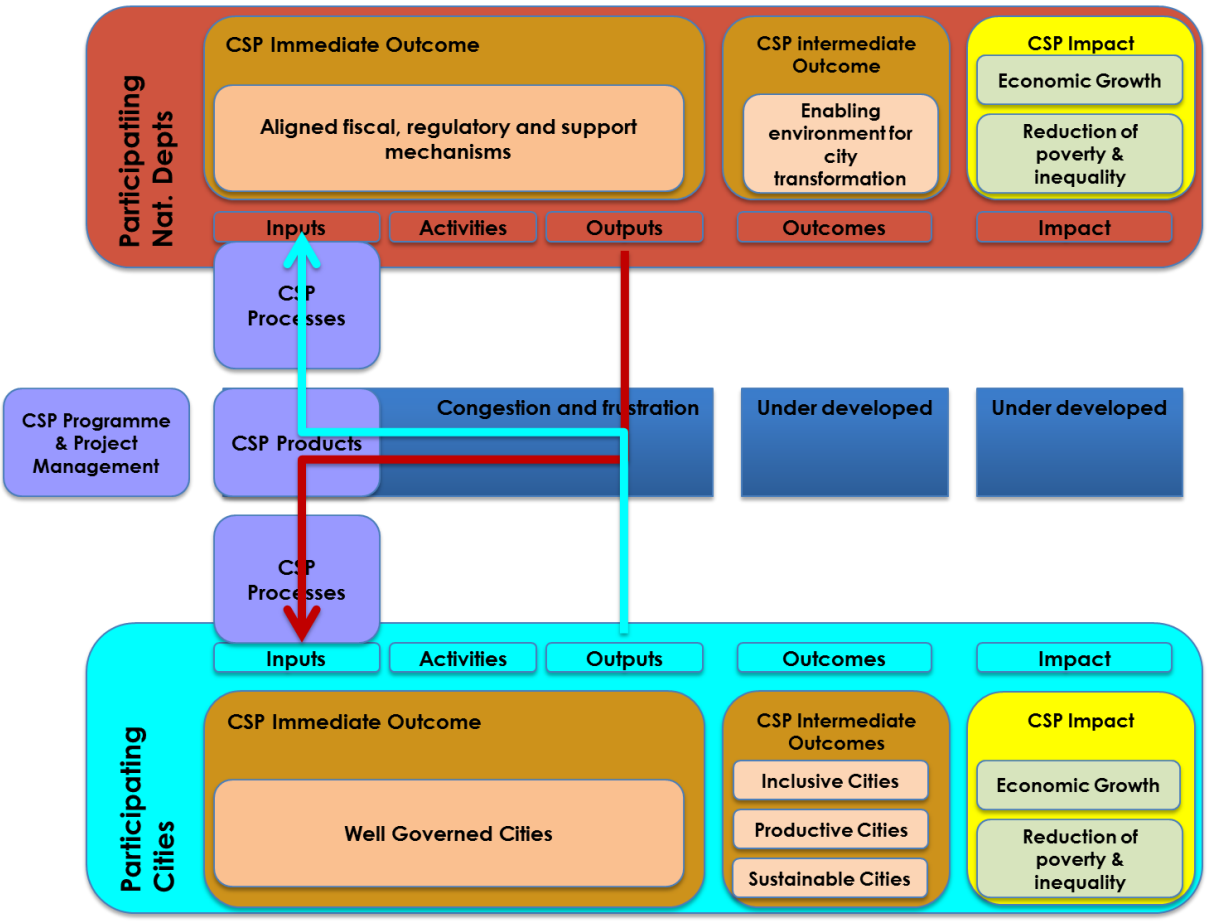


Diagram 42: Theory of Change Concept as Per CSP

[7] CCT suggests these be referred to as Urban Development (and Management?) Indicators

H1.1 Relationship Between Indicator Type, Responsibility and Tools

Based on the progress made at the workshop on 30th October 2015, CCT amended the National Department of Treasury's draft diagram (***Diagram 43***) to structure the relationship between the purpose of the indicator (and/ or data element), the institutional monitoring and reporting roles, and the existing regulated tools used for monitoring and reporting.

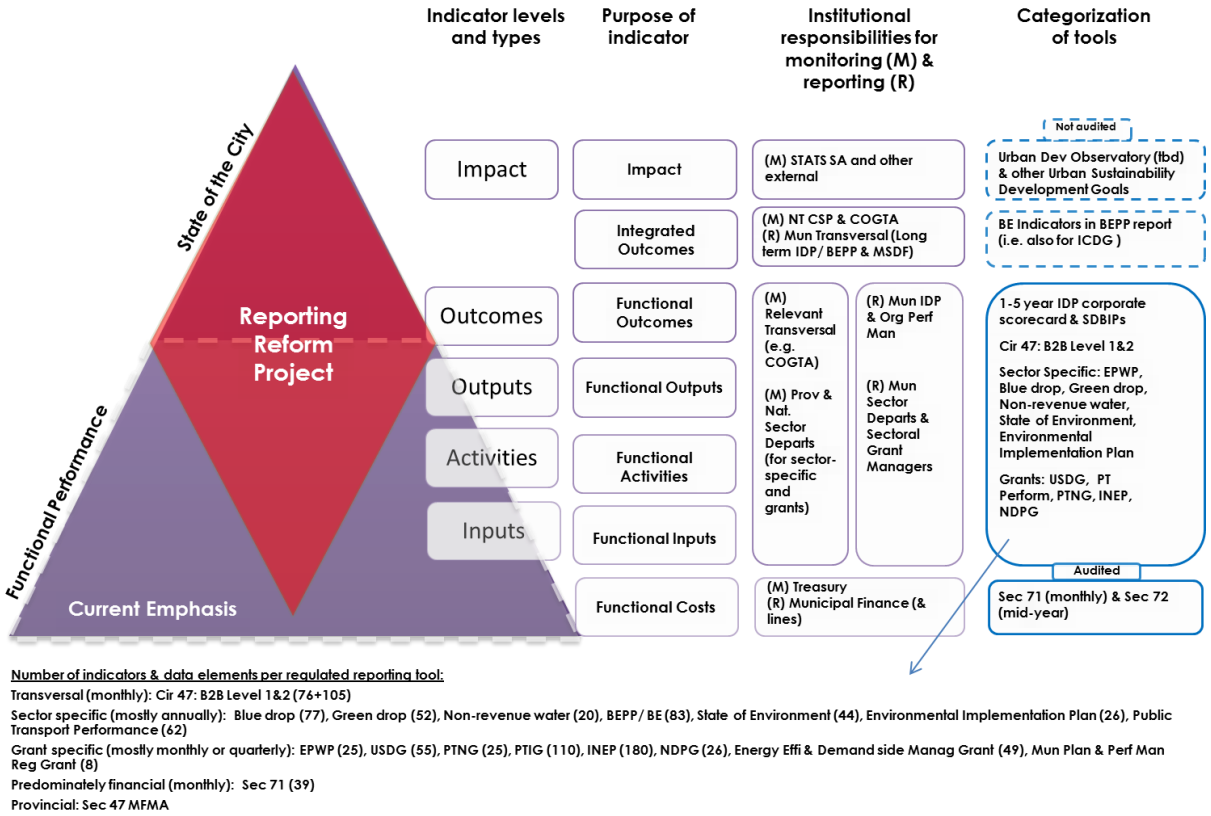


Diagram 43: Relationship between Indicator Type, Responsibility and Tools (adapted from CSP)

H1.2 Process to Finalise Built Environment (BE) Indicators

With reference to the diagram above and the BEPP Guidelines, the following departure points and expectations from NT / CSP are noted:

a) Reporting on inputs, activities, and outputs will be through normal SDBIP, Section 71 and 72 (MFMA) processes. It is envisaged that the SDBIP will report on the performance of municipalities input, activities and outputs. The IDP through the Corporate Scorecard will report on the municipal outcomes and **BEPP on City-perspective on nationally comparable outcomes and impacts.** Currently only the Corporate Scorecard contained in the IDP is subject to auditing because of the disclosure to the public.

b) Integrated outcomes (and the ICDG grant) – referred to as the Built Environment Indicators (BE), will be reported through the BEPP report and not subject to auditing. The BEPP process and products address and report on longer-term nationally comparable integrated outcomes and impacts. It is not aimed at focusing on the shorter term performance management of the local government as per IDP process and product (annual and 5 year), and measured in terms of the corporate scorecard and directorate and department scorecards (SDBIPs);

c) NT has acknowledged that negotiations are ongoing with COGTA to consider BEPP as an integral part of the IDP. It has yet to be confirmed if the BEPP process will be considered, firstly as the annual internal strategy process to ensure vision (IDP), investment (budget) and urban development (Metropolitan SDF) alignment; and secondly if the external IDP process could be considered the external[8] public capacitating and information process;
d) Cape Town should make progress with the determining of baselines and targets for the BE indicators between November 2015 and May 2016 and document a perspective of progress.

During the workshop on 30 October, Cities raised the following points:

a) It is noted that BEPP Guideline (21 Oct 2015 p.17) indicates that integrated outcome and impact indicators will not be audited.
b) The City's Corporate Scorecard remains the primary mechanism available to local government to measure the outcomes of strategy and IDP objectives and targets. Clarity is required on the NT initiative to develop a standard set of SDBIP (and Corporate Scorecard IDP) indicators which cities have to/ may choose from in preparation of a new term-of-office IDPs.
c) Cities stated that NT/ CSP should be clear that BE indicators will not be absorbed in the SDBIPs for 2016/17 and beyond as they are on integrated outcome level, which cannot be measured in the SDBIPs. By implication this means that the reporting on indicators will remain part of the annexure to the BEPP report until such time, if at all, the BEPP is incorporated in the IDP. At that time point b) would need to have been clarified recognising that the IDP Corporate Scorecard is audited.
d) CCT maintains that Section 71 information should not be reported in the BEPP annually by extracting it from monthly Section 71 reports and duplicating the responses into the BEPP.
e) The December 2016 list of 54-BE indicators will be further discussed by the City once formulaes and definitions are received;
f) Even after the progressive work completed by the NT/ CSP's formulation of the Indicator Framework (which included the design principles and criteria for indicators), there is no confirmation that:
 - There will be a consolidation of regulated/ statutory required reporting or that:
 - Any of the National Departments will reduce their **sector-specific reporting formats for municipalities** (such as the ±300 indicators/ data elements in ± 10 annual reports) or their **grant-specific reporting formats for municipalities** (such as the ±500 indicators/ data elements in ±8 monthly reports); or
 - Any of the Transversal Departments will streamline their integrated reporting requirements (such as the COGTA B2B reporting); and
 - NT will, in partnership with other departments, reconsider the amendment of Section 71/ 72 reporting (which contains more than 200 indicators/data elements).

H1.3 Internal analysis of the 54-Built Environment (BE) Indicators

The City of Cape Town has started screening the December 2015 version of the indicators between different technical teams and will forward a written response to CSP by early April with the intention to have a workshop in Cape Town in May or soonest thereafter. As committed at the IGR Session on 19 February 2016, the City is in a process to isolate the indicators for which baselines already exist and communicate that to the CSP. At the time of completing this BEPP submission, progress has been made and the City anticipates that (dependent if the Section 71 elements are included), a total of approximately 10 indicator baselines would be available for reporting 2016/17.

[8] In association with the Provincial Line Departments and the SOEs

I. CONCLUSION

This annual BEPP revision has been subject to a substantial re-working of content and structure in line with the requirements of the BEPP guidelines and the Built Environment Value Chain issued by National Department of Treasury in October 2015. It is the third thorough re-working of the document within an 18 month period.

The City received a favourable response from the National Departments present at the Mid-Year budget review in February 2016 to the BEPP presentation material. Much of that content finds a home in this Review and represents a distinct shift from the material presented in the October 2015 Draft: sectoral content from the draft BEPP is included as Annexures.

The emphasis on advancing from a planning and theory basis to practical, sustainable and financially prudent implementation projects and programmes is well understood and supported within the City.

The progression in planning, strategy and engagement in relation to the Integration Zones is however one of the aspects the City is confident to reflect. Similarly, the progression of a more tangible pipeline of catalytic property projects gives a basis to measure the progress City and Province in advancing these restructuring and TOD-based developments.

The infancy of many of the key catalytic projects reflected in this this year's submission does limit the ability to respond in a meaningful way to some of the key requirements: for example the procurement, high level cost estimates, funding strategies and risk mitigation measures.

The key themes and messages of last year's approved BEPP, for example a more practical and detailed approach to the human settlements and public transportation sectors have where possible been integrated into the more prominent requirements relating to Integration Zones and the Inter-Governmental project pipeline. Others which are believed to be critical – and are still included within this document - have been lost in the current BEPP Guidelines. Such an example is the complex and co-planning responsibilities of and capex and opex requirements for social infrastructure provision between Province and the City.

Issues that concluded the previous approved BEPP, for example, land assembly of state owned land remains critical to unlocking key restructuring initiatives in Integration Zones and other parts of the City. Similarly, the previously stated urgent need to review housing policy in relation to the rental and gap markets remain key issues without resolution. The lack of tangible progress in concluding the Built Environment Indicators is also frustrating the ability to progress the "performance" elements of the BEPP submissions.

The shifting of emphasis annually does come with a risk that a broader BEPP stakeholder group is confused or lost as to the more immediate aspirations of the BEPP document and process. The BEPP cannot be a "one-stop shop" for all needs and requires a moderation of expectations from the respective parties. An appeal is made to limit the scope of change in the BEPP guidelines in coming years.

Confusion between the different processes and products, grants and regulatory responsibilities not least the BEPP, Integrated Development Plan and Corporate Scorecards is another risk that needs to be managed.

Importantly, from a process perspective these aspects establish the agenda for the review process for the preparation of the 2017/2018 BEPP. Overall, it is encouraging to note that both the City of Cape Town BEPP process and deliverables are maturing and well- received and forms a credible and respected basis for future refinements.

The City takes note of the useful proposals made by the National Department of Human Settlements in relation to content for future BEPP guidelines and anticipates that these will be considered favourably in the BEPP Guideline re-issue in the new Financial Year. The outputs of the IHSF work streams will allow the City to articulate a more coherent programme for informal settlements and supportive infrastructure in future reviews.

National Department of Treasury observations and comments reflecting the need to more comprehensively integrate financial information and strategy into the process is also understood and is presently being addressed to support future reviews. The institutional enhancements alluded to in this BEPP, in particular the spatialisation of projects via the SAP-based Project Portfolio Management System (PPM) will be welcome resources that will bring a more real-time and automated dimension to the budget / project analytics in future BEPPs.

Annexure A: IPTN & Transit Oriented Development Approach

A1 Integrated Public Transportation Network (IPTN)

The approved IPTN as at June 2014, commits the City to an expanded transport network inclusive of rail, BRT, bus, minibus-taxi, metred taxi and non-motorised transport.

The foundation of the approved IPTN 2032 is a road and rail based trunk network supported by a road-based feeder and distributor network (***Diagram Ai***). The feeder network is indicative and will be refined on a corridor-by-corridor basis as concept planning for each trunk corridor is completed. In addition, the public transport network is supported by depots, stops, stations, staging areas, etc. the details of the City's approach to and request for funding is included in the application made to the National Department of Transport for Public Transport Network Grant (PTNG) Funding.

The IPTN has been built on the dual premise of firstly: an intermodal, interoperable and integrated transport system and secondly: a restructured urban form based on the principles of Transit Oriented Development (TOD) that can enhance efficiencies of the public and private sector. Integrated public transportation, planned and prioritised on the basis of robust integrated spatial planning is the City's primary lever to direct the City's development agenda and the basis on which the City's programmes and projects will be spatially prioritised.

The most significant public transportation interventions within the City are the R4.5 billion Blue Downs Rail Link (BDRL) investment initiated by PRASA and MyCiti network expansion – sequentially illustrated in ***Table Ai***.

PRASA commitments to Philippi, Nolungile, Bonteheuwel, Mandalay and Lentegeur station upgrades within priority rail corridors were extensively covered in the previous BEPP submission and will be reconfirmed in a BEPP Coordination session in November 2015.

Significant planning and investment is focused on the supporting Inter-Modal Interchanges. These essential upgrades and new-build facilities – many of which are located within the Integration Zones - serve not only the public transport needs of commuters but challenge the City to consider integrated facility management in support of optimised social facilities within these transport nodes and interchanges.

These investments represent key upgrades / missing links in the city's public transport network and infrastructure that will enhance the accessibility of communities living in the eastern and metro south-east locations of Cape Town to the economic centres and core of the city. These investments represent key levers in relation to TOD and the integration of land uses to support an integrated, interoperable and intermodal transport network.

Three further initiatives that support the City's commitment to ensuring an integrated, interoperable and intermodal transport system in a more efficient urban environment namely:

- The imminent approval of a **TOD-Comprehensive Land use Model and TOD strategic Framework** which will have a major development emphasis shift for the City and informant of the Medium Term Infrastructure Investment Framework (MTIIF).

- The **assignment of both the Contracting Authority and Municipal Regulatory Entity Functions** to CCT which will facilitate a sustainable relation of the trunk and feeder elements of the IPTN.

- The realisation of the projects and programmes as contracted in the **Memorandum of Action (MOA) between PRASA and TCT**. Many of these commitments are located within the Integration Zones.

- The approach to TOD and the role it can play in increasing efficiencies of the IPTN is considered in the next section.

Diagram Ai: IPTN Route Network (Full Extent)

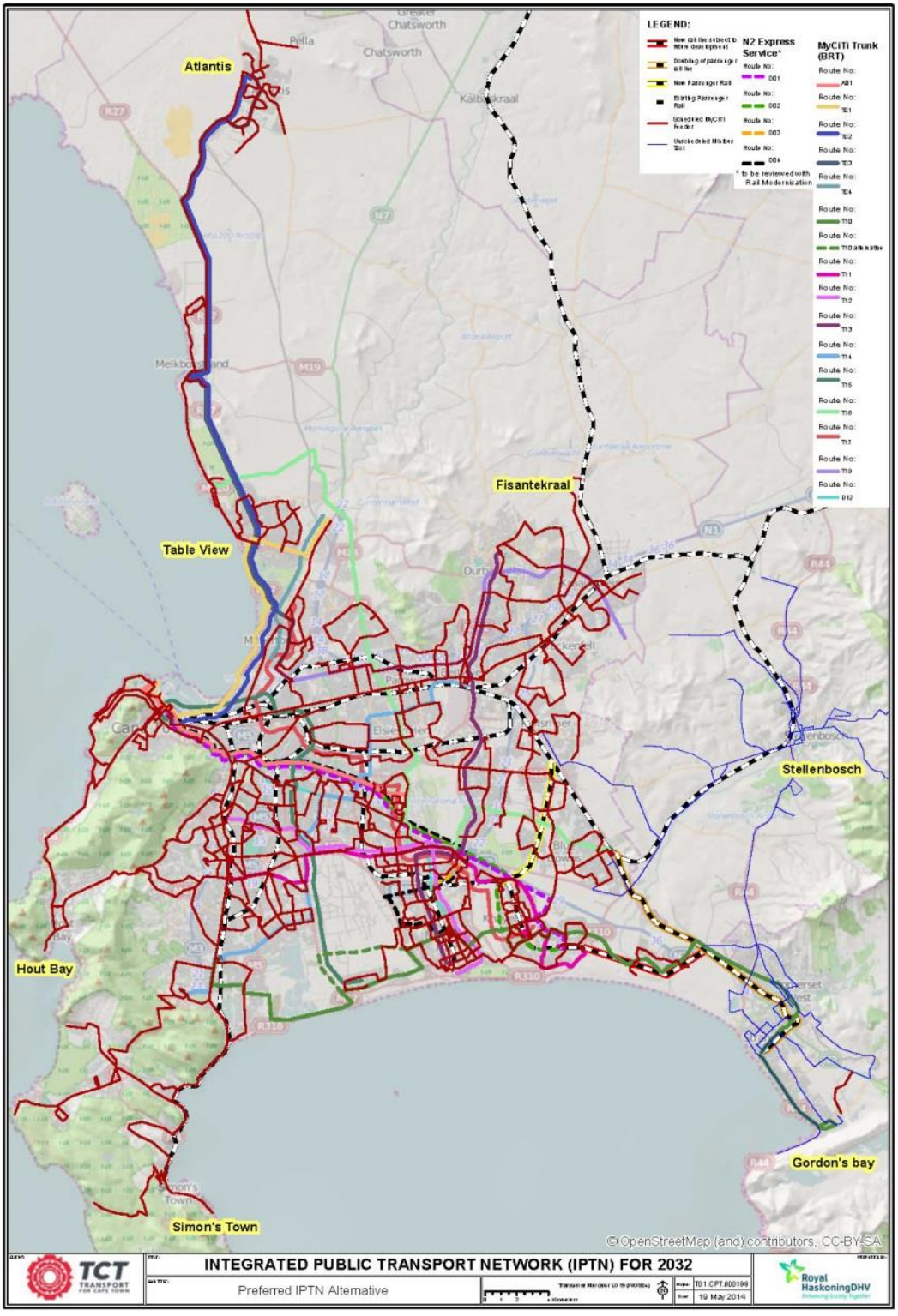


Table Ai: IPTN Preliminary Implementation Plan: Preliminary Trunk Corridor Prioritisation and N2 Express (as @ January 1st 2016)

Priority / Status	ROUTE	ROUTE NAME	BRIEF DESCRIPTION (suburbs)
Operational	Phase 1A A01	CBD	Airport / CBD / Waterfront
Operational	Phase 1A T01	Dunoon -Waterfront	Waterfront / CBD / Table View / Dunoon
Operational	Phase 1A T02	Atlantis - CBD	Atlantis / Table View / CBD
Operational	Phase 1A T03	Atlantis - Montague Gardens	Montague Gardens / Table View / Atlantis
Operational	Phase 1B T04	Dunoon - Century City	Dunoon / Montague Gardens / Century City
Operational	N2 Express D01	Khayelitsha East to Cape Town (Civic Centre)	Kuyasa South Public Transport Interchange, left Ntlazane Road, right unnamed road, left Lindela Street, left Lansdowne Road, right Spine Road, left N2, left Hertzog Boulevard, Civic Centre Station.
Operational	N2 Express D03	Mitchells Plain East to cape town (Civic Centre)	Mitchells Plain Town Centre bus terminus, continues First Avenue north, right Wespoort drive, left A.Z. Berman Drive, right R300, left N2, left Hertzog Boulevard, Civic Centre Station.
Operational	N2 Express D02	Khayelitsha West to Cape Town (Civic Centre)	Kuyasa South Public Transport Interchange, right Ntlazane Road, left Spine Road, right Mew Way, left N2, left Hertzog Boulevard, Civic Centre station.
Operational	N2 Express D04	Kapteinsklip to Cape Town (Civic Centre)	Kapteinsklip Rail Station, continue Yellowwood Street North, right Kilimanjaro Street, left A.Z. Berman Drive, right R300, left N2, left Hertzog Boulevard, Civic Centre Station.
1	BDRC	Blue Downs Rail Corridor	Blue Downs Rail Corridor plus city road-based feeder system.
1	T11*	Wynberg - Khayelitsha (LWC)	Wynberg (Wynberg couplet) / South Road – Ottery/ Hanover park – Guguletu / Philippi / Khayelitsha
1	T12*	Claremont - Mitchell's plain (LWC)	Claremont – Lansdowne – Hanover Park– Gugulethu - Philippi / Mitchell's Plain
2	D12*	Klipfontein – CBD	Mitchell's Plain – Philippi / Gugulethu – Athlone – Mowbray – CBD
3	T17*	Khayelitsha - Century City	Khayelitsha – Philippi – Borcherds Quarry / Epping / Maitland / Century City
4	T16*	Eersterivier – Blouberg	Mfuleni / Delft / Philippi – Elsies River / Parow / Monte Vista / Bothasig / Parklands / Big Bay
5	T13*	Durbanville - Mitchell's Plain (Symphony Way)	Durbanville / Bellville / Delft – Philippi / Mitchell's Plain
6	T15*	Strandfontein -CBD	Strandfontein / Pelican Park / Athlone / Pinelands / Maitland / CBD
7	T10*	Retreat - Gordons Bay	Retreat / Steenberg / Strandfontein / Mitchell's Plain / Khayelitsha / Strand / Gordon's Bay
8	T14*	Westlake – Bellville	Westlake / Retreat / Hanover Park / Epping / Parow / Bellville
9	T19*	Kraaifontein - Century City	Century City / Parow / Bellville / Durbanville / Wallacedene

* Prioritisation subject to the approval of the IPTN Implementation Plan in March 2016

A2 Linking IPTN to Transit Orientated Development (TOD)

The IPTN recognises that the operational and financial sustainability of the network is contingent on effective linkages and dependencies between land use (appropriate mix and intensity / density), transportation and sequenced infrastructure provision (inclusive of social amenities) resulting in a city form and structure that supports the following TOD principles:

- **Affordability** – reducing costs of public transport to commuters and public transport operators.
- **Accessibility** – facilitating equitable access to social and economic activity through balanced urban development and the provision of safe public transport.
- **Efficiency** – providing a level of service that reduces trip lengths and dependence on private vehicles.
- **Intensification** and **Densification** – transforming the currently fragmented urban form (as represented in ***Diagram 3***) to a desired form and structure that optimises current infrastructure and economic opportunity; provides a mix of typologies and affordability for residents of the City; and is conducive to affordable, accessible and efficient public transport.

These principles translate into a series of inter-related sustainability objectives associated with transport and land use ***(Diagram Aii)***

The City has placed an increasing emphasis on the value and role of land use and transportation modelling that can influence these desired efficiencies and objectives. The next section expands on this work and the linkages between the modelling and TOD Strategic Framework that is presently being tested within the administration.

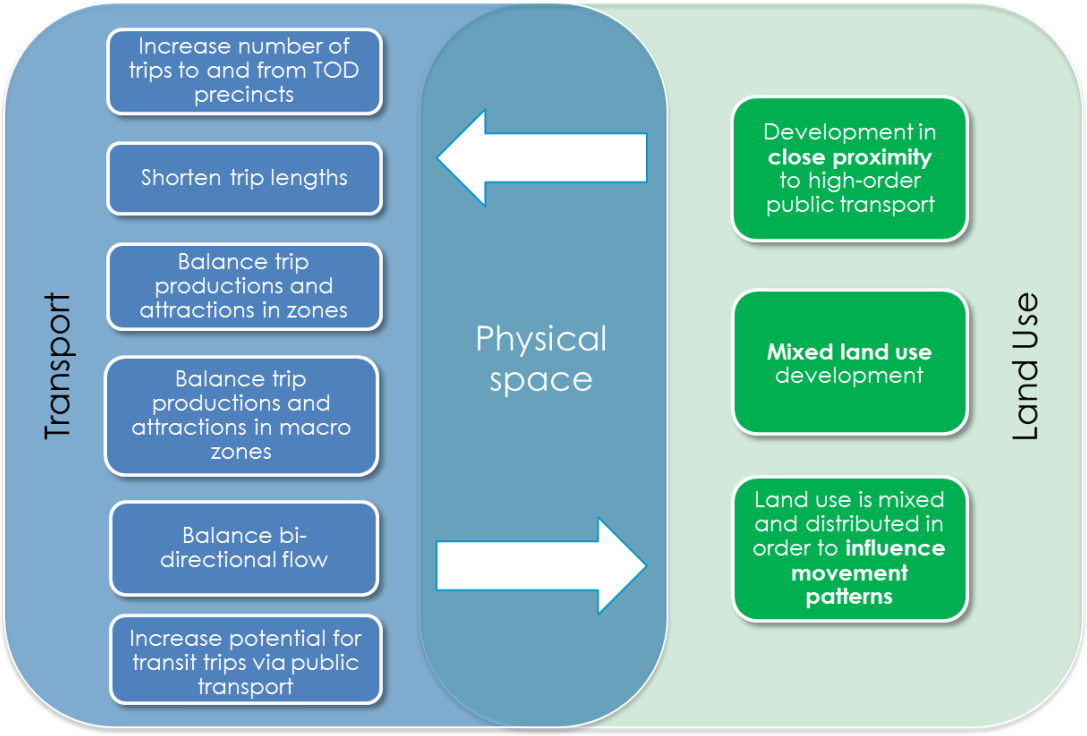


Diagram Aii: Transport Objectives and Associated Land Use Interventions

A3 Land use and Transportation Modelling: Projected Quantification of Future Land Use

A significant progression in thinking within the City has been the development of land use scenarios to shape and inform strategy and policy approaches. These have developed from pre-SDF "best-guess(es)" of anticipated development to more sophisticated approaches linked to more complex data set and inputs; Transportation Zones; infrastructure risks; and growth pressure areas. These data driven land use scenarios have informed a variety of projects and strategies including infrastructure master planning and the IPTN (as illustrated in ***Table Aii***).

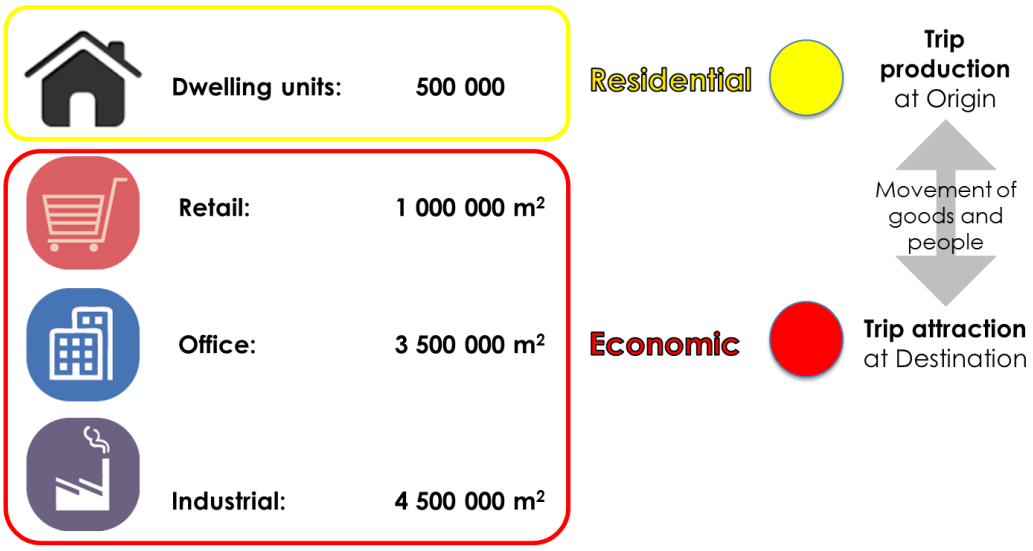
Table Aii: Land Use Modelling Methodology and Scenarios 2012 – 2015

Year	Scenario	Spatial Allocation / emphasis	Assumptions	Practical Application
Pre 2012	Urban growth model (UGM)	Citywide growth	Anticipated development ("best guess")	• Identification of future pressure points / risk identification
2012	Medium to Long-Term Cape Town Growth Options	NE & NW greenfield growth corridors	Greenfield / expansion	• Infrastructure costing and phasing for the growth corridors
2013	Business as Usual (BAU) Land Use Scenario	Citywide growth	Development trends continue and not encumbered by urban edge etc.	
2013	Pragmatic Densification (PD) Land Use Scenario	Citywide growth	Development intensity and density more compact and more constrained within the urban edge	• Utilities Master Planning • Development Contribution Policy • Social Facility Planning (CSIR) • Medium Term Infrastructure Framework - MTIIF (initial assessment)
2013	Pragmatic TOD (PTOD) Land Use Scenario	Citywide growth	Greater density and intensity in respect of new development located in relation to the public transportation network (DP)	• IPTN • MTIIF (second assessment)
2015	TOD Comprehensive (TOD-C) Land Use Scenario	Citywide growth – Public Transit nodes	Land use allocated in a way that supports a range of Transportation related sustainability and efficiency outcomes	• MTIIF (third assessment)

Diagram Aiii illustrates the anticipated expansion of four broad land use categories between 2015 and 2032. These quantums have been determined by using past growth trends to project future growth and are informed by:

- verifying dwelling growth projections against population growth estimates;
- including informal dwellings and second dwellings; and
- using long term trend data for non-residential uses to minimise the impact of market cycles and reflect structural changes in the economy such as deindustrialisation.

Diagram Aiii: Projected Land Use Quantum



The challenge presented to the City is to develop an approach that addresses both the historic spatial fragmentation of residential and economic land use patterns and facilitates the anticipated new growth in land uses (quantified in ***Diagram C***) in a more balanced and efficient manner linked directly to the transportation network. This dual mandate has encouraged the City to explore a more thorough approach to TOD development and led to the development of its most ambitious land use scenario: TOD Comprehensive (TOD-C). Assumptions for TOD-C were far-reaching and included:

- Household income and land value would not impact on the location of residential development;
- Development would be allocated to priority transit areas using existing maximum permissible/ deliverable rights, and then – if additional development is required – rezoning/ amendment of land use rights will be applied;
- Parking requirements would be adjusted according to the provisions of Public Transport (PT) zones; and
- Land use intensity and mix would be allocated according to the optimal location for transit capacity utilisation (thereby disregarding the inertia trend of the location of non-residential uses as discussed above) AND development would be geo-fenced to existing and planned higher order public transport infrastructure.

Modelling work in support of TOD-C has emphasised latent land use rights that are *theoretically* available and have been derived from the integration of property valuation and zoning data sets. This approach has established a quantifiable baseline of i) utilised and ii) latent land use rights which have been applied to each of the City's Transportation Analysis Zones (TAZ). Latent rights refer to rights that are conferred by existing zoning via the land use management scheme but are yet to be utilised (and may never be utilised for practical reasons e.g. financial constraints, property market dynamics etc.).

The baseline established the existing land use mix per Transportation Analysis Zone (TAZ) illustrating clearly areas of the city which contribute to directional peak hour "tidal" flows of traffic from trip origins (residential land uses reflected in yellow) to trip destinations (non-residential land uses reflected in red) and undermine the spatial and mobility efficiency of the urban form (***Diagram D***).

Table Aiii illustrates the 2015 baseline and projected quantum for 2032. The quantum of land use rights projected to 2032 in ***Diagram C*** were allocated to latent land use rights and vacant land within each of the TAZ. A number of development constraints were considered and applied to the modelling of these values inter alia the noise contours from the Cape Town International Airport, exclusion zones associated with the Koeberg nuclear facility, floodlines and environmental / conservation areas.

Table Aiii: Baseline vs 2030 Estimates

	2015 (estimated)	**2032** (projected)
Residential (number of dwelling units)	1,289,703	1,604,313
Retail (m² GLA)	7,518,701	8,518,701
Office	6,385,163	9,885,163
Industry	18,536,122	23,036,122

Following a transport optimisation process, ***Diagram E*** shows the optimal location of new trips in 2032 per Transport Analysis Zone (TAZ) based on the selection of illustrative values in ***Table 3***. The yellow depicts trip productions generated by trip-attracting land uses. The red depicts trip-attracting (mostly non-residential) land uses, expressed as square metres gross leasable floor area (GLA). The intensity of land uses at different locations and the relative distance between them, create optimal differentials which seek to improve the flow of movement to the benefit of all, and specifically for public transport operations.

A comparison of the baseline and future optimised scenario i.e. (***Diagrams D and E***) indicates the following key shifts envisaged:

- An increase in residential land uses along transport corridors and key economic nodes including the Cape Town CBD – to increase the trip productions within these corridors;
- An increase in non-residential land uses within areas presently dominated by residential development, most notably the Metro South Eastern corridor – to balance the productions and attractions.
- A more intense, compact distribution of future growth and less intense allocation on the margins of the City.

The translation of this "transport demand" scenario into the available land supply via latent rights and vacant land informed the next modelling phase. Results from this exercise indicated that in theory, most TAZs could accommodate requirements in terms of future trip origin or trip production land uses via residual floor area from latent rights and / or vacant land. However, a number of the primary economic nodes within the City (inter alia the CBD, Century City and Bellville) did not have sufficient capacity to absorb demands for increased residential development (i.e. trip producing land uses). To address this shortfall in land supply, the following variables were adjusted to optimise this supply:

a. Adjustment of land use mix and intensity of use of building floor space (persons per m² : household size / employment density);
b. Space recovered through parking zone change (lower parking requirement);
c. [a] and [b] further optimised through rezoning/ departure from standard development rules (height, coverage, floor factor);
d. Relocation to the nearest adjacent TAZ with spare floor area capacity.

The final product representing the aspirational Transit Orientated Development Comprehensive land use scenario is reflected in ***Diagrams F and G*** showing the future allocation of land uses and the "complete" picture at a citywide scale.

Diagram Aiv: Current Land Use Mix and Intensity per Transport Analysis Zone

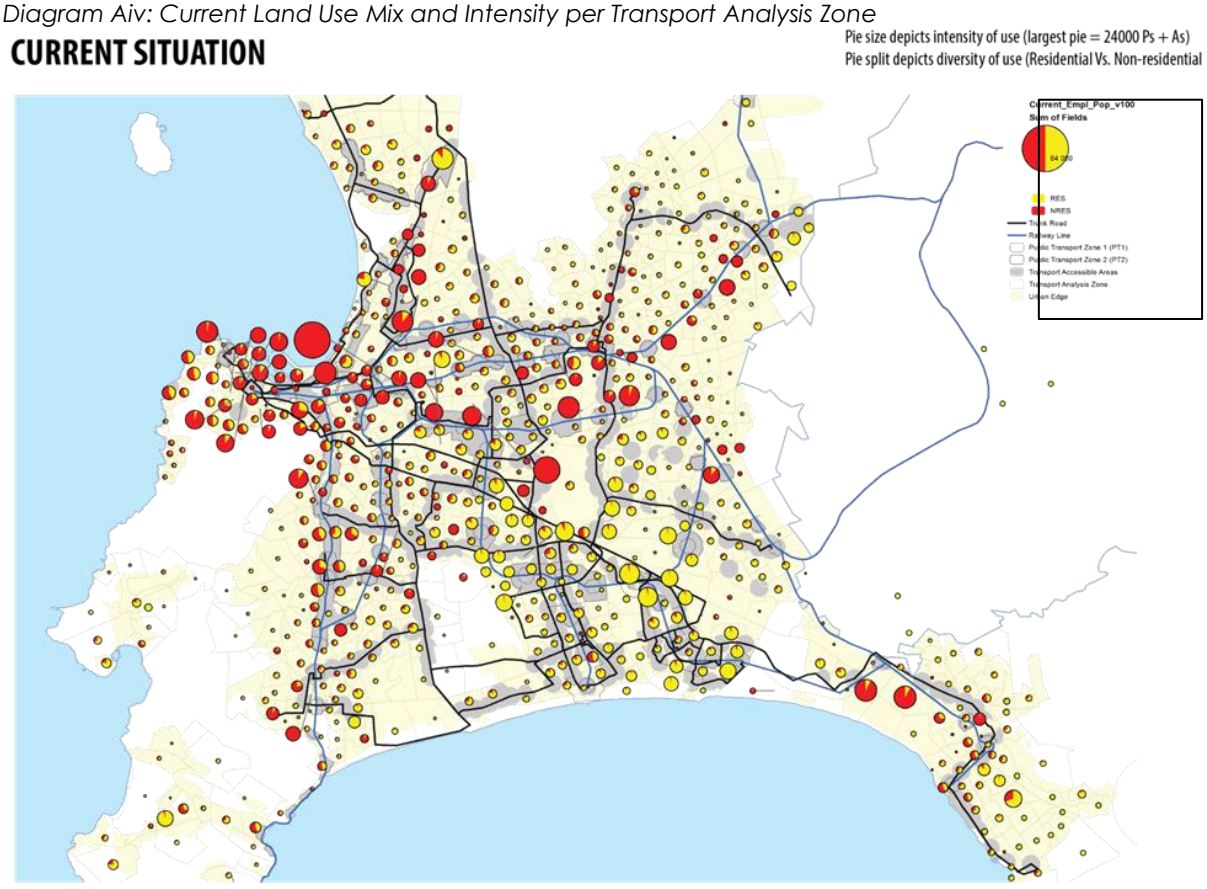


Diagram Av: Existing and Future Land Use Mix and Intensity per Transport Analysis Zone based on TOD-C

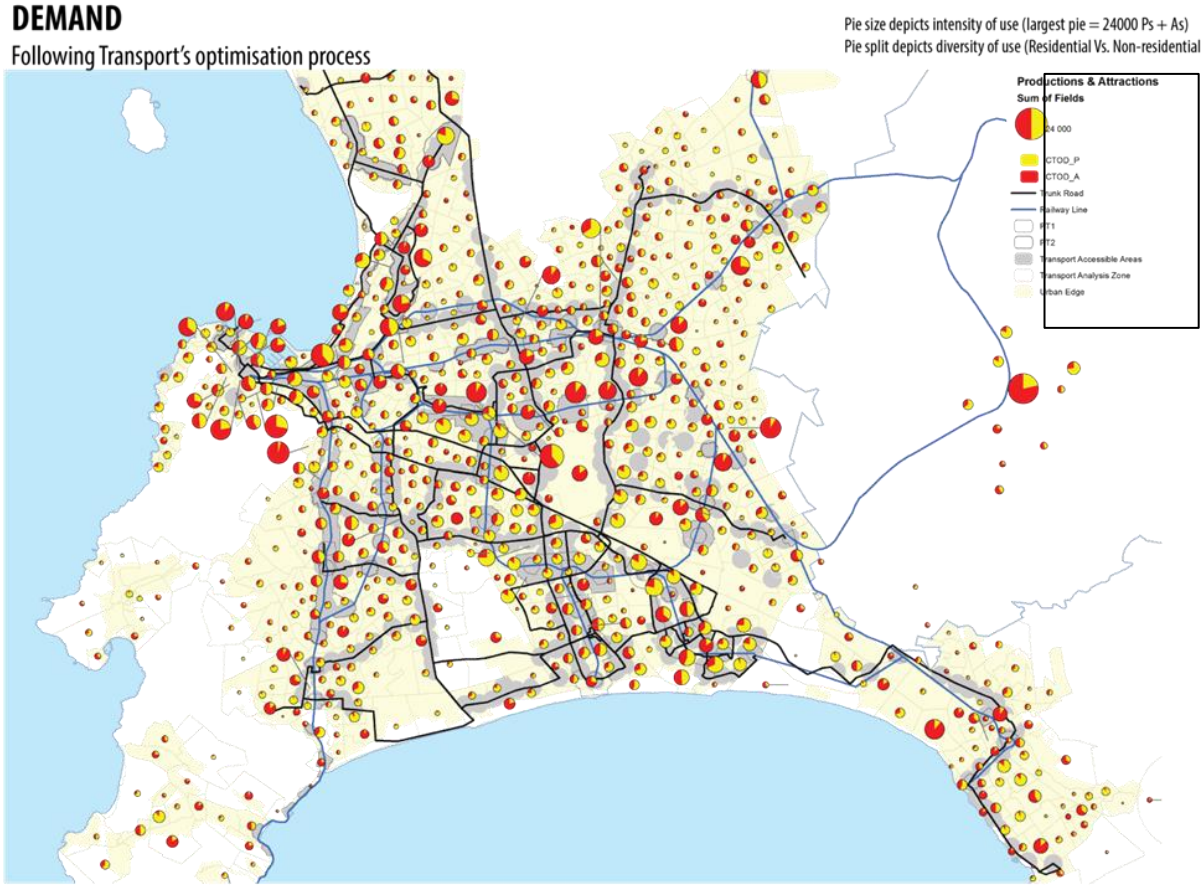




Diagram Avi: Future Optimised Land Use Location – Projected Growth Only (2015 – 2032)



Diagram Avii: Composite Baselines and Projected Growth 2032

A4 TOD Strategic Framework and TOD Toolkit

Throughout the development of the TOD-C land use scenario, multiple policy levers and tools were identified that could support the practical pursuit of a more compact and mixed use spatial form in support of the public transport network. This was particularly important given the nature and extent of assumptions made in the scenario. What changes to the existing regulatory environment would be necessary? How could the market be encouraged to respond to a more aggressive approach to TOD? These and other aspects have fed into a TOD Strategic Framework and TOD 'toolkit' responding to differentiated 'scales of intervention' i.e. Metropolitan level, Corridor level, Nodal and Precinct level. The toolkit unpacked in ***Table Aiv*** reflects mechanisms and tools within the City's control, which can be applied at a corridor, node and precinct level (***Diagram Aviii***) to facilitate the outcome of TOD-C.

Diagram Aviii: TOD Application by Scale

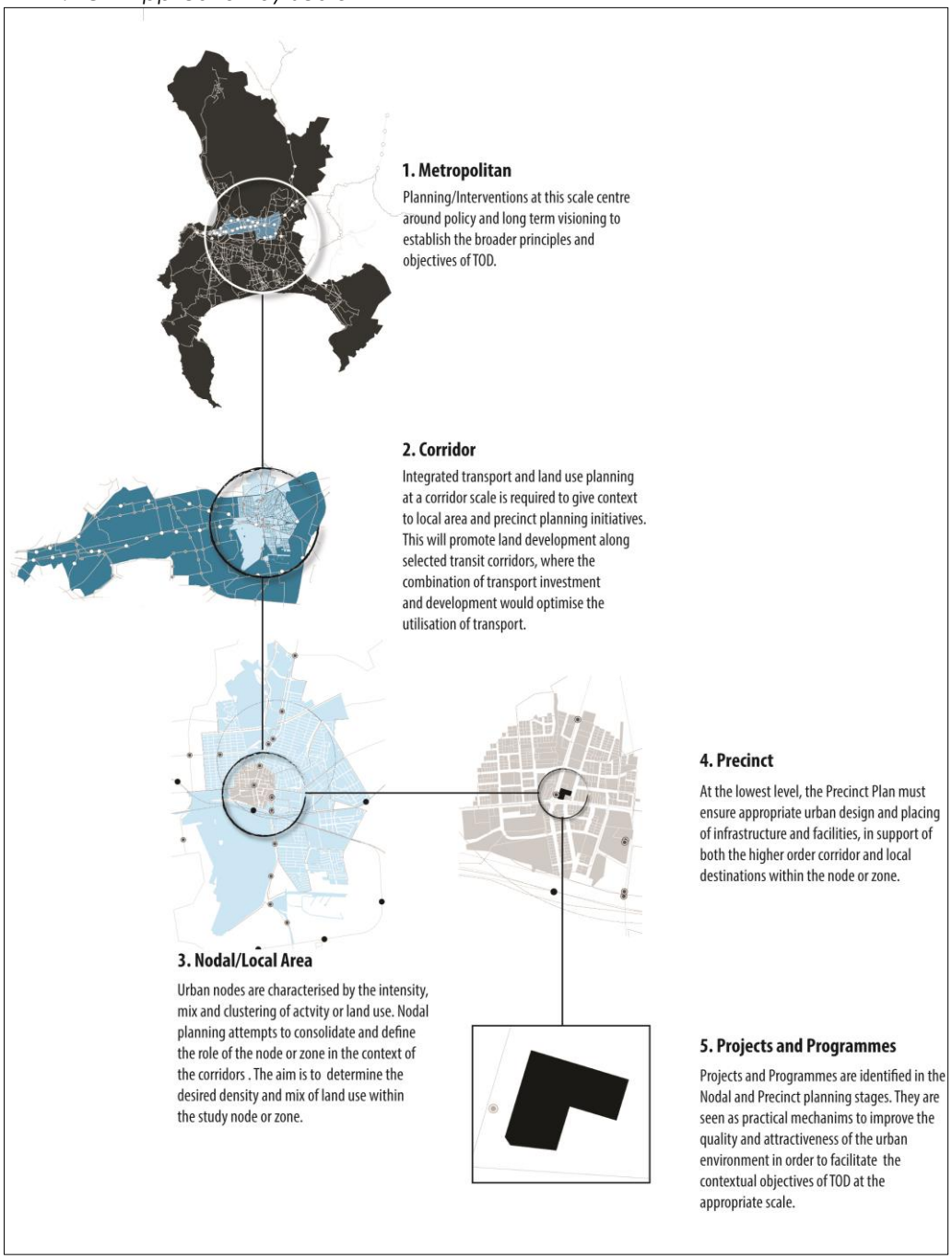


Table Aiv: TOD Toolkit by Scale of Intervention

Metropolitan Scale					
Category	**Tool/mechanism**	**Purpose**	**Examples**	**Regularisation of tool**	**TOD programme**
Institutional and Policy Alignment: Align existing land use regulations and City-policy directives with TOD principles and objectives.	Amendment of existing high level strategic policy and development frameworks (IDP, SDF, Densification Policy, IHSF etc.).	To institutionalise TOD within all directorates of the City and ensure that TOD principles are applied to all private sector development approvals and public sector led development across Cape Town. These may require amendments to specific: Policy directives Spatial designations Catalytic projects Closer alignment with TOD principles.	Integrated Public Transport Network (IPTN)	IPTN	Institutional Alignment
			Incorporate TOD principles and objectives into the IDP	IDP	
			Cape Town Spatial Development Framework	CTSDF	
			Align grant condition through the BEPP	BEPP	
			Integrated Human Settlement Framework	IHSF	
			Determine the impact of TOD Comp on the Densification Policy	Densification Policy	
	Amend housing policies, including IHSF	Enhance the current delivery of public sector housing. In particular quantify the impact of current human settlement projects on the operational cost of providing public transport cost comparison.	Considering alternative typologies and locations conducive to higher densities and integrated land uses. Placing greater emphasis on spend and resources around brownfield development.	IHSF	Institutional Alignment
	Amend road classification standards/requirements which impede incremental densification and undermine the use of public transport services.	Enable greater densification and prioritization of public transport	Amend road classification standards/requirements which impede incremental densification and undermine the use of public transport services.	Western Cape Road Classification Guidelines (2002)	Institutional Alignment
	Streamline land use application process for development proposals in line with TOD.	Fast-rack development in desirable locations.	DAMS	SPLUMA, LUPA, Cape Town Zoning Scheme	Private Sector Buy-in
	WCG & CoCT Game Changer Model	Model to identify a possible pipeline of public sector properties offering key development opportunities to realise spatial transformation – inclusive, transit oriented development and aims to facilitate reflection on what it	I.e. NUNU, Philippi Node	City of Cape Town TOD Strategic Framework	Institutional Alignment

Metropolitan Scale					
Category	**Tool/mechanism**	**Purpose**	**Examples**	**Regularisation of tool**	**TOD programme**
		will take to actually realise these opportunities within acceptable timelines			
Public Incentives to improve behaviour change	Sustainable Public Rewards Programme with monetary Incentives	To influence choices aligned to TAPs.	• Government Housing Subsidies aligned to TAPs • Property Rates discounts in TAPs • Lower Development Contributions in TAPs	• City of Cape Town Policy • Development Contribution Policy • Rates Policy	Civil Society Buy-in
Change Management	TOD Manual	Integrate sound TOD design principles (currently embed within City policy) and engineering standards to inform an appropriate application of policy guidelines to the assessment of private and public development by giving consideration to TOD outcomes at the nodal and precinct scale	• Access requirements • Road layouts • Parking (trip generation rates) etc.	City of Cape Town Policy	Institutional Alignment
	Traffic Demand Management (TDM) Strategy	To identify and implement the necessary measures and mechanisms to encourage efficient and sustainable transport, with an emphasis on the efficient movement of people and goods, rather than vehicles (Draft TDM Strategy, 2015). A key priority of this strategy is to induce a modal (and user behavioural) shift from private to public transport.	• Public transport subsidies for companies or developments which actively support public transport usage; • network TDM capacity improvements by increasing or decreasing in network capacity to the advantage of public transport specifically; • private vehicle restriction zones; taxation policies to discourage private vehicle subsidies and tax rebates where public transport is actively promoted; • congestion pricing and travel pricing (e.g. fuel levies)	City of Cape Town Policy	Civil Society Buy-in

Corridor, Nodal and Precinct Scale					
Category	**Tool/mechanism**	**Purpose**	**Examples**	**Regularisation of tool**	**TOD programme**
Strategic Planning Frameworks New (and changes to existing) development frameworks aligned to TOD principles and objectives.	New Development and/or urban design frameworks at applicable scales and changes to existing frameworks (District Spatial Plans, Local Areas SDFs, Local Plans etc.).	To establish specific land use and design guidelines to manage and guide the growth and form of corridor, nodal and precinct development in line with TOD principles and strategies (including NMT Strategy).	• Corridor plans • District Spatial Plans • Local Area Development Frameworks • Urban design frameworks	SPLUMA/LUPA	Institutional Alignment
Development Incentives: mechanisms to stimulate private sector development and leverage public investment.	Tax incentives/discounts to property developers	Incentivise development in TOD precincts.	Urban Development Zones	UDZ Income Tax Act 58 of 1962	Private Sector Buy-In
	Government funding	Subsidise catalytic private sector development. No developer or investor will elect to build in an undesirable location unless it yields a profitable return on investment or in this case receives a subsidy to compensate for its underperformance. Engagement with the private sector is required to determine the appropriate returns warranted and if certain return thresholds can be met.	Private sector subsidies and loans	• MFMA(Municipal Asset Transfer Regulations) • DORA	Private Sector Buy-In
Public land development programmes: to leverage and expropriate land in support of transit investment	TOD land disposal/release programme	To identify, package, aggregate and condition strategically located city-owned land in support of TOD and release to the market for development.	Targeted land disposal programme including, inter alia, de-proclaimed road widening scheme (Canterbury/Maynard) in key locations	• City of Cape Town Policy on the Management of certain of the City of Cape Town's Immovable Property • MFMA	Private Sector Buy-In
	Land Banking and Assembly	Acquire aggregate parcels of land near or within TOD precincts where local development is expected to dramatically increase the plot's value, package the land for appropriate development and sell	Property Acquisition Policy	• City of Cape Town Policy on the Management of certain of the City of Cape Town's Immovable Property •	Private Sector Buy-In

Corridor, Nodal and Precinct Scale					
Category	**Tool/mechanism**	**Purpose**	**Examples**	**Regularisation of tool**	**TOD programme**
		leasehold rights to private sector to develop.			
	Lease and disposal of Air Rights	Leverage development above public infrastructure and facilities such as mass transit stations and other public facilities to achieve a greater density and intensification of appropriate land uses. The clustering of public facilities and convenience facilities in close proximity to transit will allow trip chaining which is key to effective TOD.	TOD land disposal programme	• City of Cape Town Policy on the Management of certain of the City of Cape Town's Immovable Property • Municipal Asset Transfer Regulations	Private Sector Buy-In
Proactive planning: anticipatory planning mechanisms to fast-track development in TOD precincts	Pre-packaging land	Predetermine the form, type and mix of development in support of TOD linked to the TAPs. Change the applicable development rules of erven to ensure appropriate development-intensification of TOD precincts.	• Proactive/Blanket rezoning (Langa) • Overlay zones • Amending height restrictions, etc.	Cape Town Zoning Scheme Regulations	Private Sector Buy-In
Public Private Partnerships	Establish better forums for engagement	To ensure alignment of proposed development with phasing of transit infrastructure. Open lines of communication. Actively pursue development.	Private Sector engagement forums	• MOU • IDP	Private Sector Buy-In
Value Capture: tools to ensure the City recovers some or all of the value that public infrastructure generates for private landowners, to offset high operational	Higher taxation of land (rates)	Retain greater interest on the investment of public infrastructure projects and upgrades.	• The identification of Special Assessment Districts[9] aligned to existing and new public investment/infrastructure projects. • Development	• Rates Policy • City's Development Contribution Policy	Integrated Business Model

[9] Additional levies assigned to parcels of land/property which have been identified as having received a direct and unique benefit from a public project

Corridor, Nodal and Precinct Scale					
Category	**Tool/mechanism**	**Purpose**	**Examples**	**Regularisation of tool**	**TOD programme**
costs			contributions • Land value increment taxes		
	Parking levies, congestion tax	To disincentivise private vehicle use, whilst generating additional income to offset operational costs associated with the provision of high quality public transport	• Parking levies • Congestion tax	• Rates Policy • City's Development Contribution Policy • TDM Strategy	Integrated Business Model
	Improved management of parking and setting of parking tariffs	To capture the best value of City owned parking (managed, park and rides, and off-street)	• Revised Parking Tariff	• Parking Management Tender • City of Cape Town Parking Policy	Integrated Business Model
	Improve commercialisation (formal and informal) in and around public transport stations, precincts, nodes and PTIs in the design of IRT Infrastructure and pre-packaging of land	Commercialisation of stations improves ridership, passenger convenience and generates a greater level of seat renewal. Furthermore it provides additional revenue generating opportunities for the City, through leasing or disposal (during the boom phase of the property cycle).		Future City of Cape Town Commercialisation Strategy	Integrated Business Model
Development Controls: regulatory tools to manage urban development processes in support of transit investment	Maximum parking requirements in areas where there is an imbalance between development and parking.	To prevent an additional supply of parking and discourage the use of private vehicles.		Cape Town Zoning Scheme	Integrated Business Model
	Monthly Operational Levy incorporated into the City's Development Contribution calculation	To offset the costs of operating public transport infrastructure in unsustainable locations.		City's Development Contribution Policy	Integrated Business Model
Marketing Tools: Improve political and public palatability of TOD	Media Campaigns	To effectively depict what TOD could potentially look like (high density and mixed use development) and communicate the benefits associated with TOD	3D visual aids across scales of TOD.	CITP	Civil Society Buy-in

Project and Programme Scale					
Category	**Tool/mechanism**	**Purpose**	**Examples**	**Regularisation of tool**	**TOD programme**
Projects and Programmes	BEPP Catalytic Projects	Champion projects to: • kick start development interest from private sector in key locations along higher order public transport infrastructure; • facilitate local (formal and informal) economic development. • Improve access to public facilities and social amenities.	Refer to list of projects in the BEPP and the TOD Game Changer Model.	• BEPP • WCG and CoCT Game Changer Model to promote Urban Integration	ALL
	NMT Improvement (walkability and cycling)	Improve walkability, to and around IRT stations and PTIs. To improve the assessment private and public sector development applications .	Provide direct pathways	Non-motorised Transport Strategy and design toolkit	ALL
	Urban Regeneration aligned to the appropriate stage of the property cycle	To improve the quality of the urban environment – improve market responsiveness.	Public space upgrades Safety and security initiatives (i.e., VPUU)		ALL

Annexure B: Integrated Human Settlements Framework and Human Settlements Planning

B1 Integrated Human Settlement Framework Implementation Plan

During 2014/15 the City completed a detailed review of the *as-is* housing (or shelter) situation in Cape Town and, given specific assumptions, the projected housing situation by 2032.

In summary, Census 2011 indicated that the City of Cape Town has a population of approximately one million households being accommodated as follows:

- 46% (489,833) of households live in formal dwellings (owned);
- 31% (328,135) live in formal dwellings (rented);
- 13% (143,823) live in informal settlements;
- 7% (74,957) are live in backyard shacks; and
- Less than 1% (12,297) live in hostels.

Furthermore, the Census 2011 indicated the following socio-economic profile of the City's households:

- 47% fall into the R0 – R3,200pm category;
- 14% into the R3,201 – R6,400pm category;
- 13% into the R6,401 – R13,000pm category;
- 12% into the R13,001 – R26,000pm category; and
- 14% into the R26,001+ pm category

In-migration and population growth will be responsible for an approximately 500,000 new households by 2032. Estimates suggest that 650 000 families earning less than R13,000 or living in sub-optimal conditions will be reliant on the state for some kind of assistance with respect to their shelter between now and 2032.

Current and prospective funding, land and human resources at Council's disposal is inadequate to address existing and future human settlement challenges. This recognition formed the basis of an "*Integrated Human Settlements Framework*" (IHSF). The IHSF recognised that the default approach to supply and demand interventions would not deliver on existing and projected housing need and would necessitate a strategic and institutional review.

The IHSF articulates a number of strategic priorities that the City should pursue to improve the delivery and unlocking of housing opportunities.

These include:

1) All informal settlements should be regularized and progressively upgraded, shifting from a pipeline of comprehensive upgrade projects to a broad based (all settlements) ongoing improvement of services, public space and tenure provided while households formalise their top structures. Densities must be sufficient to minimise the need to relocate households.

2) Increase supply of new housing opportunities by households of rental units and subdivisions. Encourage and support the development of second dwellings and supporting household densification to increase the supply of new housing opportunities by private households via rental units. In addition, the upgrading and formalisation of existing backyard dwellings should be enabled.

3) Open-up new areas for housing development within and adjacent to the existing developed areas of the City emphasizing high densities and starter units that support incremental completion of the house over an indefinite period.

4) Supporting higher density development in transport corridors and priority nodes via Social Housing Institutions and private developers – incentivised approaches to support these sectors and judicious use of public land key to this approach;

5) Enabling low income households to participate more effectively in the housing market – consideration of a programme to improve home-ownership related credit worthiness for lower-income households;

6) Communication programme focussed on promoting the new strategic approach and adjusting the expectations of stakeholders; and

7) Longer-term, focussed approach to reducing City ownership of Community Rental Units and improving living conditions within existing CRUs.

These strategic priorities have been translated into a detailed implementation plan consisting of programmes linked to outcomes articulated in the IHSF with supporting projects.

The implementation plan is structured to support the strategic shift in the way the City conceives of and implements the creation of housing opportunities, shifting the understanding of human settlements provision from the concerns of a single directorate to the concerns of numerous directorates.

Therefore a matrix management approach is being used to implement the programmes of the IHSF, which is reflected in the implementation structures, which have been established to maximise cross-functional work.

The IHSF implementation plan is overseen by a steering committee which is chaired by the City Manager and comprised of the executive leadership. The overall implementation is coordinated at a corporate level by the Strategy and Operations Department, located in the Office of the Executive Mayor, and the Capital Programme Management Support Branch, located in the Office of the City Manager.

Each supporting project is driven by transversal teams working across line departments and led by a project leader who is accountable to management for the delivery of the project. Project Charters are used to scope the extent of the project, to maintain focus on outcomes and to identify transversal requirements and dependencies.

B2 Human Settlement Area Planning and Catalytic Projects

The objective of current Human Settlement area planning initiatives such as in Langa, Macassar, Greenville, Darwin Road and Maroela is to create integrated settlements inclusive of commercial, community and industrial land uses, appropriate public transport routes and infrastructure networks. The latter three projects are integral to the Catalytic Human Settlement North-Eastern Corridor project as submitted to the National Department of Human Settlements. They represent a private-public sector commitment to deliver 22,000 accommodation opportunities utilising a mix of housing programmes/typologies (i.e. Site & service, BNG, Social housing, GAP and Open Market).

The Southern Corridor Human Settlement Catalytic Project (***Diagram Bi***) endorsed by the Province and City is focused on the implementation in the short-medium term of the N2 Phase 1 and 2 projects and 27 linked informal settlements upgrades in the vicinity benefiting more than 50,000 households.

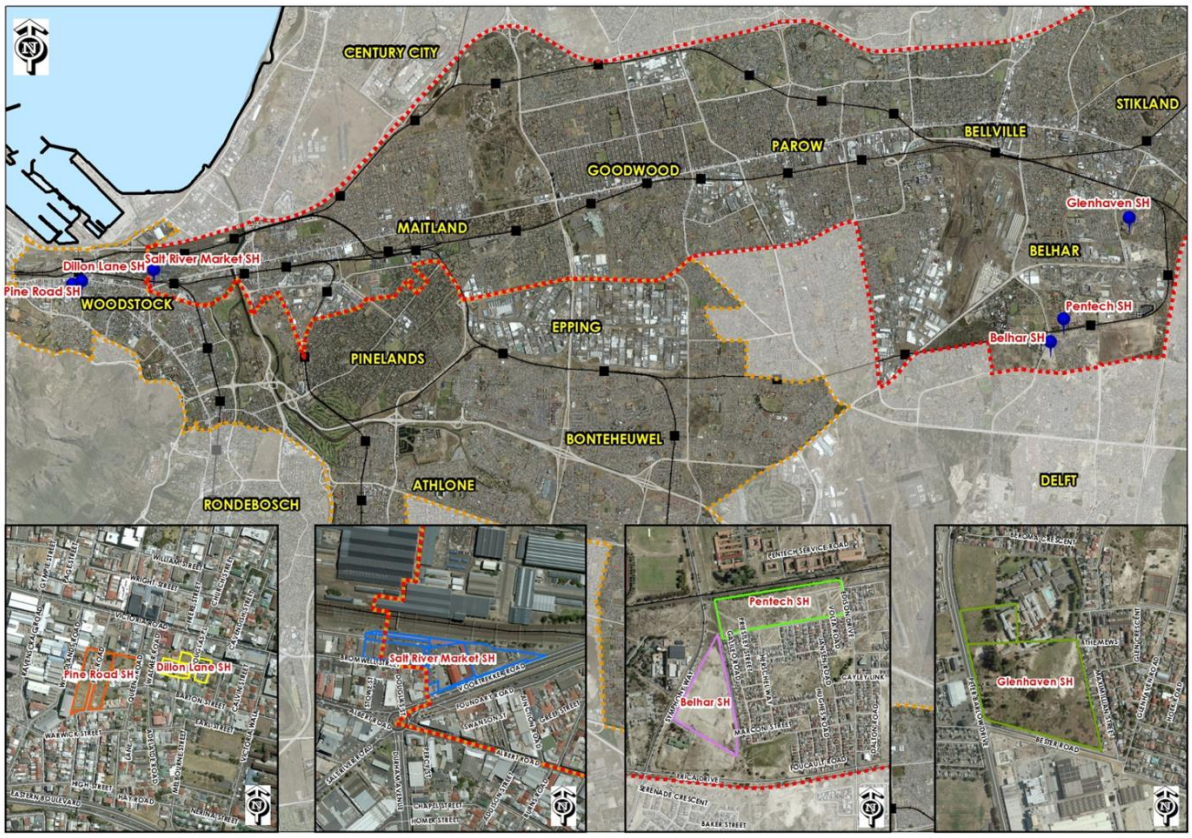
Diagram Bi: Spatial Extent of Southern Corridor Human Settlement Catalytic Project



The most recent and significant land purchase to support human settlement initiatives is the formerly owned AECI Paardevlei land in the south-east of the City. This land purchase will support the extension and anchoring of the Southern Development Corridor Catalytic Project in the medium to long-term. Contingent on infrastructure, budget and detailed planning the commencement of development on this site is anticipated by 2020.

The opportunities afforded in the VRIZ to support rental accommodation and a more effective human settlement approach to Transport Orientated Development (TOD), are recognised in the Voortrekker Road Social Housing project (***Diagram Bii***). A potential yield of 1,600 units relating to five targeted sites was submitted as a third catalytic project submission to National Department of Human Settlements.

Diagram Bii: Precincts Forming Basis of VRC Social Housing Catalytic Project



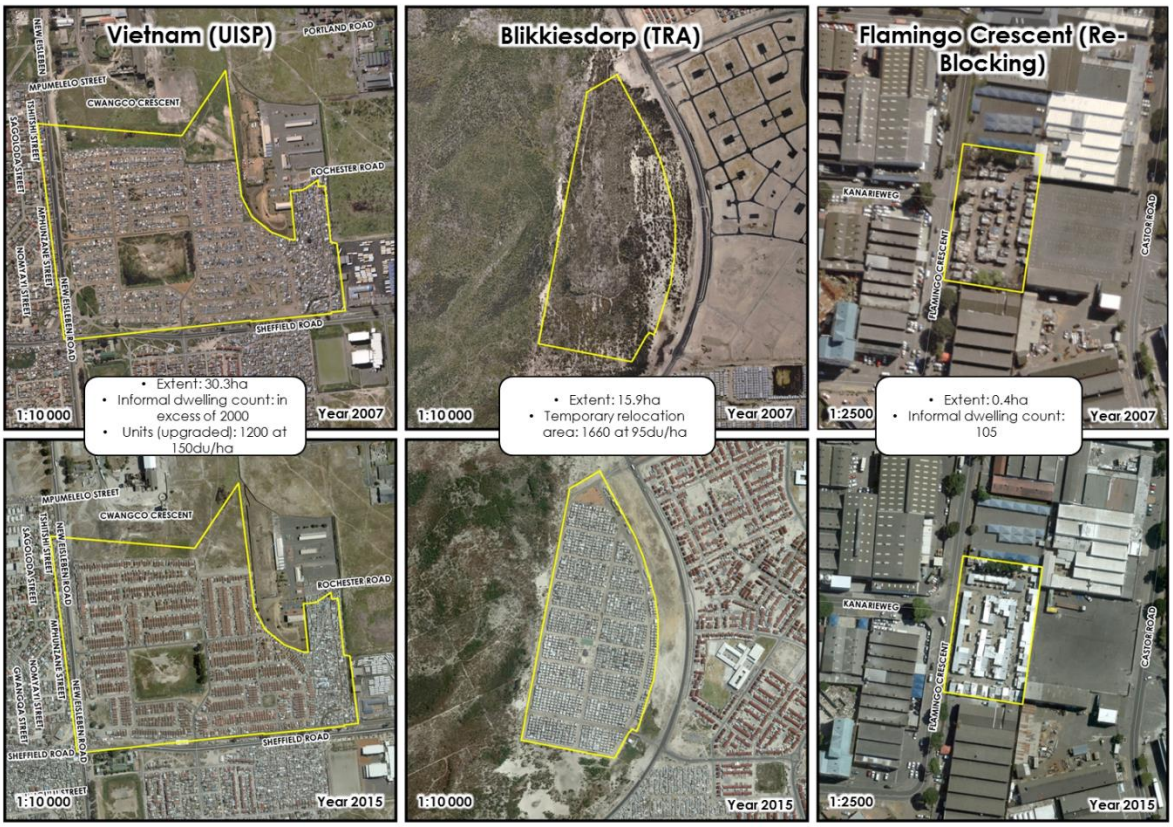
B3 Informal Settlements Upgrading

The latest update of the informal settlements database indicates that there are 204 informal settlements in Cape Town. Most have been surveyed and numbered for the purpose of prioritising service delivery and upgrade initiatives. The City is progressively working towards the consolidation and transformation of these settlements areas into integrated human settlements with secure tenure supported by social and economic amenities. In order to create a pipeline for upgrading of informal settlements the City has developed a model / matrix that: assesses the status quo of all informal settlements; categorises and prioritises upgrading work to be done; allocates land to informal settlements (for de-densification or complete relocation); and facilitates programming and budgeting.

The following approaches have been utilised to support the upgrade programme: (examples illustrated in ***Diagram Biii***).

- Greenfield serviced sites (for de-densification) (Incremental Development Areas and Temporary Relocation Areas);
- *In Situ* serviced sites;
- Reblocking;
- Other interventions like flood mitigation;
- Improvement of service levels, etc.
- Emergency Housing (USDG and HSDG)

Diagram Biii: Human Settlement Implementation Initiatives



The average density in existing informal settlement areas is approximately 180du/ha. Some are as high as 480du/ha. An effective approach to managing density is fundamental to a broader human settlement response to urbanisation and land budgeting. Historically, the City employed a standard approach to the provision of housing opportunities of plot sizes of 100m² and single free-standing 40m² dwelling unit. Progressively, these standards were amended to accommodate 2-storey, semi-detached housing units on 60 – 80m² serviced sites.

Presently, in-situ upgrading initiatives are realising net densities in excess of 100du/ha on incremental sites (as employed in Sweethomes and Aloe Ridge ***Table Bi*** and ***Diagram Biv***). Consideration is being given to 3-storey buildings along main roads (e.g. Monwabisi Park) where live/work units. These units are constructed on the basis of the resident running a small business/workshop on the ground floor and living on the first floor. A variety of top structure models on serviced sites have been discussed including a serviced site and wetcore (i.e. water and sanitation reticulation) and progressing to a serviced site, slab and firewall.

Diagram Biv: Sweethomes and Aloe Ridge Projects

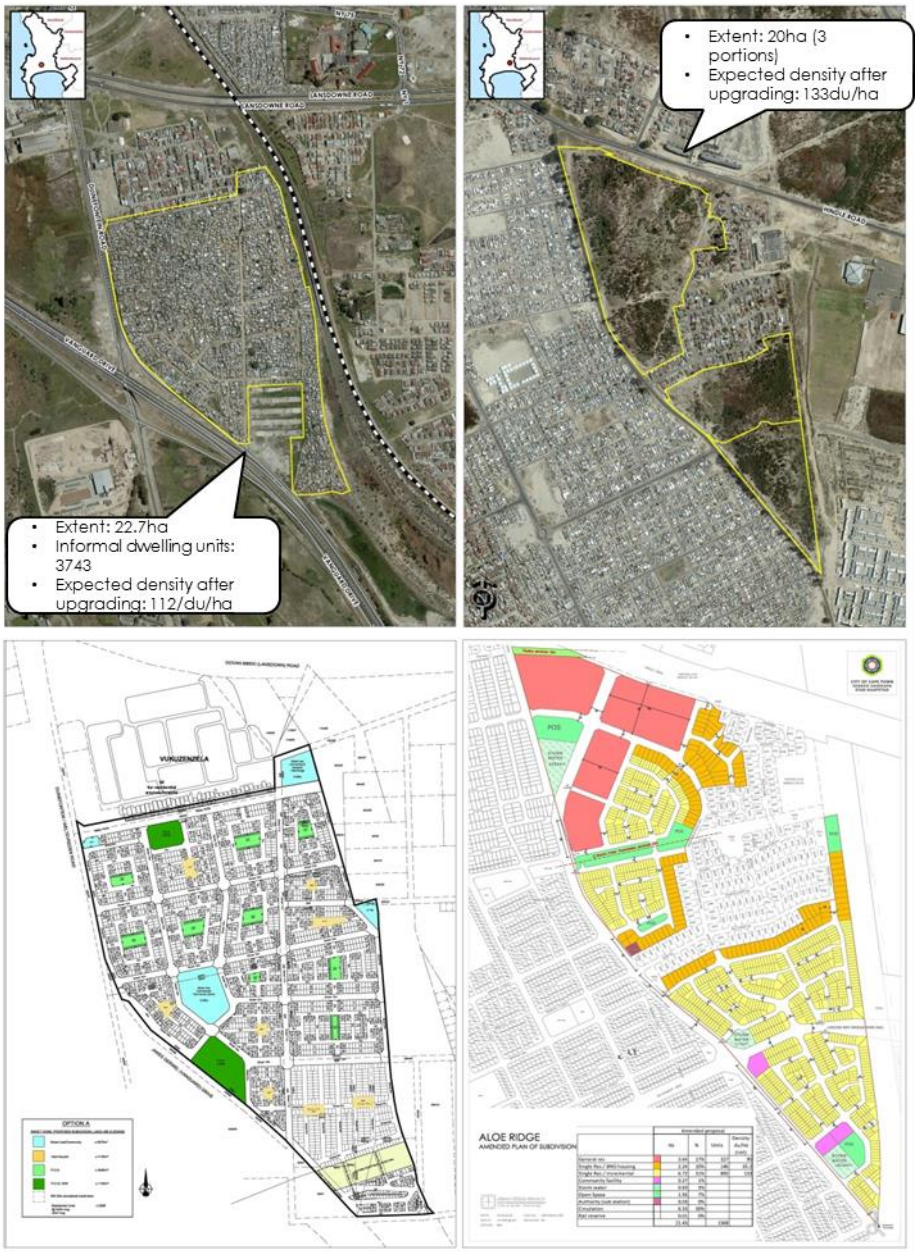


Table Bi: Land Utilisation of Current Upgrading Projects

Project	Circulation	Res	POS/Com	Erf sizes	Net density
Sweethomes *(In situ)*	34%	56%	10%	45m² - 55m²	± 112du/ha
Aloe Ridge (*Incremental)*	29%	59%	12%	75m²	± 133du/ha

Under the auspices of the Sustainable Communities Working Group, a multi-departmental team will be discussing standards (such as road widths and parking requirements) impacting on project layouts with a view to amending standards and the common application thereof. It is clear that there is a shift in the way informal settlement upgrading is being approached, especially with regards to urban form and the delivery mechanism.

These approaches to density and design serve many outcomes including: the maximisation of housing interventions within the limits of funding provisions; the minimisation of displacement of families and the retention of densities that are appropriate from an urban management perspective, bulk infrastructure utilisation and public transport threshold.

B4 Backyarder Improvement Programme

Another programme that is materially improving the living conditions and quality of environment is the Provision of Services to Backyarders at Council Rental Units (CRUs). The following services are rendered as part of this programme:

- Provision of extra wheelie bin per erf/rental unit to accommodate the extra waste generated by backyarders and address capacity constraints.
- Water supply;
- Sanitation through the provision of shared wash troughs and toilet to restore individual dignity;
- Electricity supply through a ready board, providing free basic units per month per backyard structure (typically to a maximum of 3 structures per yard/erf) to avoid risks related to illegal connections and improve study conditions

By providing services to backyards, living conditions are improved for those living in backyards whilst waiting for state-funded housing opportunities. This has an immediate impact on the dignity of individuals and quality of the neighbourhood.

Further, the dignity of individuals and quality of the neighbourhood amenity is more immediately realised via the provision of sanitation and basic services. The basic premise of the upgrading approach per service category is considered below.

Basic Services: Pilot projects Factreton and Hanover Park have been supplied with water, sanitation and electricity. The bulk infrastructure provided caters for the maximum loading accommodating typically 3 backyarders per erf, for the entire area (Council and privately-owned units are included).

Projects to provide water, sanitation and solid waste removal are proceeding in the following areas: Bonteheuwel; Eastridge; Heideveld; Gugulethu; Manenberg; and Valhalla Park – all located within the Metro South East Integration Zone. Other areas include Atlantis; Grassy Park and Lotus River; Lavender Hill; Ocean View; Parkwood; Scottsdene; and Uitsig/Elsiesrivier.

Electricity services are being provided in Parkwood and Bonteheuwel and the projects in Newfields and Kalksteenfontein have reached advanced planning status.

These interventions affect more than 2,700 households and most will be completed within this financial year (2015/16).

After the two pilot projects it was decided not to roll out all services to an area simultaneously. Timelines to implement the various services differ widely and it proved problematic to manage multiple contractors working in the same area at the same time.

Waste Management: The capacity of existing waste containers is routinely exceeded by the extra waste generated by backyarders. Discussions are on-going with the view to provide extra bins to cater for backyarders living at privately owned dwellings. Currently, additional bins are available at a cost to the property owner – if requested by the owner.

A pilot is currently being investigated whereby additional bins will be considered for the formal households in Imizamo Yethu, adjacent to the Imizamo Yethu Informal Settlement Area. It is anticipated that the pilot will prove the business case through the reduced operational costs and environmental improvements of using bins instead of managing and cleaning on an on-going basis the spill-over which results from inadequate provision of bins.

All CRUs have received the wheelie bin service.

Electricity: In most instances the provision of electricity to backyarders requires an increase in the capacity of bulk infrastructure which impacts on the lead times and sequencing with other services. Routinely, bulk infrastructure has to be replaced in full to cater for the additional load. Delaying other services to be in line with the provision of electricity would serve no purpose: it does however create the unfortunate impression that the provision of services is not coordinated.

The provision of electrical connections has other social, health safety benefits. As examples: scholars can study under better lighting conditions, households are less prone to fire risk as a consequence of unsafe and illegal electricity connections, candlelight, open flame heating/cooking. Bulk electricity infrastructure for new development is presently being implemented to accommodate future backyarder growth.

Areas to be considered for electricity services to backyard-dwellers – in addition to the current services to backyard-dwellers in City-owned CRU's - would be: privately owned CRUs that were historically owned by the City; all RDP/BNG houses (oldest to newest); and individual cases in formal privately owned properties.

B5 Governance and Institutional Benefits of Upgrading Initiatives

A recurring theme in discussions with and queries from National Treasury has been the derived financial and governance benefits to the City (e.g. revenue collection, progressive expansion of the City's rates base) accruing from the upgrading initiatives beyond just the social benefits.

Present financial policy exempts revenue collection on houses valued less than R400,000 (this threshold is periodically reviewed). Accordingly, the absorption of households within informal settlements into a formal and structured property rates-base remains a long-term and speculative outcome.

Nevertheless, there are some direct and in-direct savings accruing from the upgrading and servicing initiatives. With respect to backyarder service provision, the direct income derived from electricity and water and sanitation use is obvious, especially purchasing additional supply after allocation of free units are used.

Indirect financial impacts relate to potential reductions in expenditure on reactive servicing of backyard structures, fires and patient care (as a result of improved living conditions decreasing rates of water-borne infections and diseases and fire risk) and solid waste management. These aspects also have an indirect impact on the environmental amenity and quality of neighbouring wetlands, detention ponds and stormwater systems.

With respect to informal settlements upgrade, immediate income is generated when free flowing water points are replaced with individual water connections. The installation of water meters also results in the water resource and cost savings accruing from the improved management of wastage from broken or inappropriately utilised communal standpipes. Furthermore, water consumption can be pinpointed to individual erven and consumers as opposed to an unidentified group. This is also a benefit derived from the installation of ready boards to facilitate prepaid meter operations for electricity consumption.

B6 Human Settlement Alignment with Spatial Targeting Initiatives

An assessment of the alignment of the human settlements and transportation sectors was incorporated into the last BEPP review process. In this Draft Review, the human settlement projects outlined in the IDP have been further assessed in relation to a series of spatial targeting initiatives, namely:

- Integration Zone: (MSE / VRC established in support of the Urban Network Strategy and the targeting of the ICDG grant);
- Proximity to an ECAMP monitored node (a distance of 1km radius from industrial, commercial, or mixed use nodes monitored by the City's Economic Areas Management Programme);
- Prioritised Trunk route of MyCiti;
- Transit Accessible Precinct (TAPS)(existing / future public transport infrastructure nodal points);
- Public Transport Zone 1 or 2 (existing rail / MyCiti trunk route locations where parking requirements have been significantly reduced);
- Restructuring Zones (Designated areas within the City where Restructuring Capital Grant funding in support of social housing can be accessed); and
- Urban Development Zone (Designated areas within the City where a tax incentive to encourage private sector-led residential and commercial development is applicable).

The spatial extent of these initiatives is represented in ***Diagram Bv***.

The City's committed Humans Settlements programme is based on three phases indicating the state of preparedness of the project namely: Construction; Planning; and Pipeline (i.e. 5 year time horizon). ***Diagram Bvi*** and ***Table Bii*** reflect the spatial extent of the programme and the degree of alignment to the spatial targeting initiatives.

Diagram Bv: Spatial Targeting Initiatives

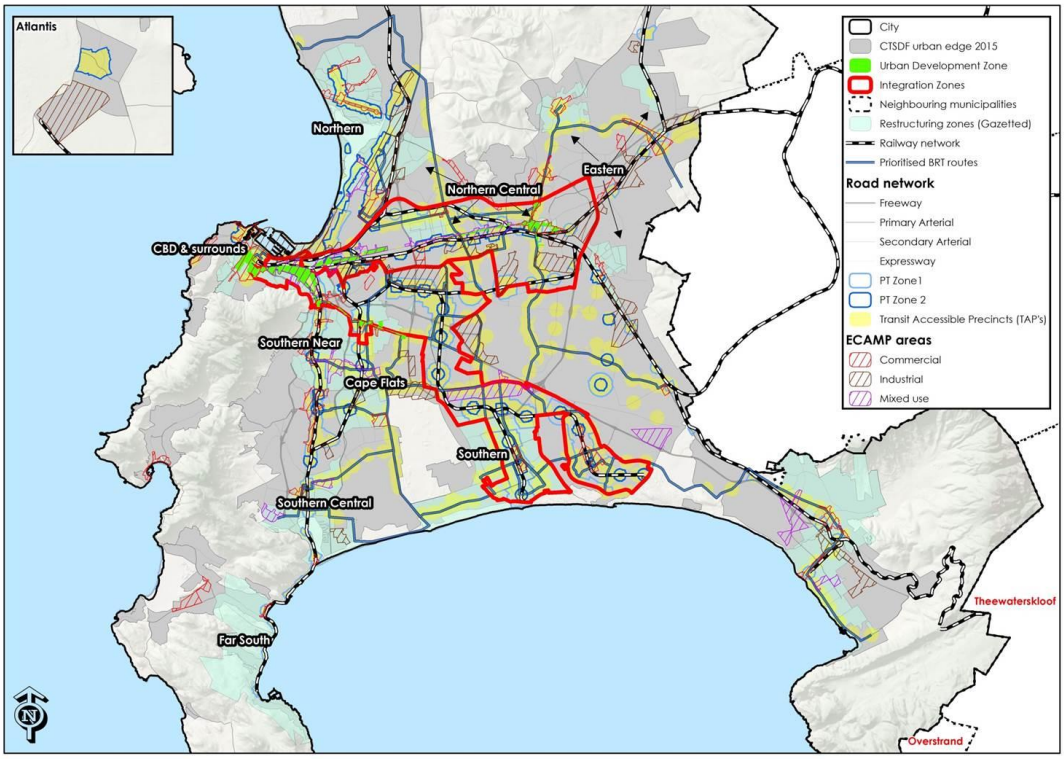


Diagram Bvi: Human Settlements Programme in Relation to Spatial Targeting Initiatives

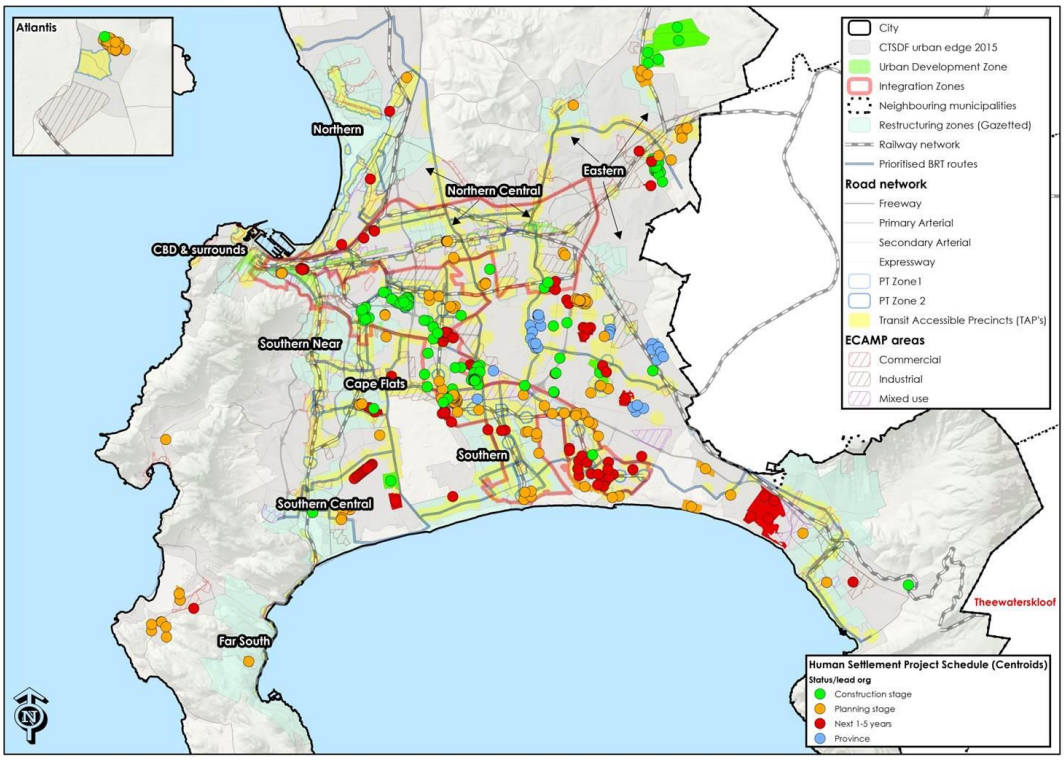


Table B:ii Assessment of Human Settlements Programme in Relation to Spatial Targeting Initiatives

Human Settlements project schedule 2015/16: Construction	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
8ste Laan	540			x			x	x
Atlantis Kanonkop (Ext 12) Phase 1	455							
Bardale Phase 5A	741							
Belhar Pentech Infill	340		x					
Belhar Social Housing	629		x					
Busasa Ext.	1006							
Delft - The Hague Phase 1 & 2	1908							
Delft Eindhoven	211							
Delft Roosendaal	288							
Freedom Park	250	x						
Garden Cities Housing Project	4320						x	x
Green Park	Flood Mit.						x	
Gugulethu Infill (Erf 8448, Mau Mau)	1071			x			x	x
Hanberg CRU Phase 1	71							
Hazeldene Services	Services installed			x	x		x	x
Hazendal Infill, Bokmakierie Sites	153	x		x			x	
Heideveld/Duinefontein Road	738			x			x	
Khayelitsha CBD	358			x	x			
Kleinvlei - Erf 901	65						x	
Langa CRU (Hostel Redevelopment)	463			x				
Los Angeles	Flood Mit.						x	
Manenberg Infill - The Downs	587			x	x		x	
Nyanga Upgrade	2070			x			x	

Human Settlements project schedule 2015/16: Construction	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Pelikan Park Phase 1 (GAP, BNG & Open Market)	3144						x	
PHP, citywide	2369							
Scottsdene Phase 1 Social Housing	500				x		x	
Sir Lowries Pass IDA	177						x	x
Steenberg Station Phase 3	100	x					x	
Sweethomes IDA	20			x			x	x
Sweetlips	38						x	
Thabo Mbeki	Flood Mit.			x	x		x	x
Thambo Square	180			x			x	x
Wolwerivier IDA	500						x	

Human Settlements project schedule 2015/16: Planning	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Atlantis infill sites	tbd							
Atlantis Kanonkop (Ext. 12) Phase 2 & 3	1500							
Beacon Valley Infill	1673	x		x				
BM Section	4233			x			x	x
Bonteheuwel Infill	407			x				
Braaf/Sheffield	150			x				
BRT Relocation	75			x				
Darwin Road	4000	x						
Deep Freeze	100							
Dido Valley	600	x						

Human Settlements project schedule 2015/16: Planning	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Doornbach	1780				x			
Edward Street: Ottery Sustainable Development	104							x
Elsies River Housing Development	1200		x		x		x	
Enkanini	3389							x
False Bay IDA (Greenfields)	250							
Glenhaven Social Housing	416		x					
Green Point Phase 3	361			x			x	
Hangberg	71							
Hangberg CRU Phase 2	696							
Imizamo Yethu Phase 3	4233						x	x
Kalkfontein	948							x
Kapteinsklip	1631	x		x				
Kewtown Infill CRU	tbd	x		x			x	
Lotus Park	1631			x			x	
Macassar Erf 3968	2469							x
Maitland Social Housing	306		x		x		x	x
Maroela and Surrounding properties	2000						x	
Masiphumelele Phase 4	327				x		x	x
Mfuleni Ext 1	500						x	
Monwabisi Park	6662						x	
Monwood	2700			x	x		x	x
Morkels Cottage	562	x					x	
Morningstar	160	x					x	
Oceanview Infill	397						x	
Ottery Enslin Road Social Housing	tbd	x						

Human Settlements project schedule 2015/16: Planning	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Phola Park	640			x			x	
Pine Road	180	x		x	x		x	x
PRASA Relocation	1370			x				
Salt River, Foundry Road	200	x	x		x	x	x	x
Scottsdene BNG (Pocket 2)	86				x		x	x
Somerset West 10ha	151	x					x	
Sweethome	3745			x			x	
The Heights	2855						x	
Valhalla Park Infill	777			x			x	
Vygieskraal	250	x					x	x
Wallacedene TRA	1087						x	

Human Settlements project schedule 2015/16: Pipeline	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Aloeridge	tbd						x	x
Backstage, Erf 36638	tbd			x			x	x
Belhar School Sites	tbd		x				x	x
Blueberry Hill	tbd						x	
Brackenfell - Everite Land	tbd				x			
Brackenfell Site	tbd							
Brooklyn Regeneration Social Housing	tbd				x			
Erf 794 and Others	tbd				x			
Garden Close	tbd	x					x	
Grassy Park (Buffer Strip)	tbd							

Human Settlements project schedule 2015/16: Pipeline	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Gugulethu Hostels	tbd			x			x	x
Hanover Park infill	tbd						x	
Harare Infill	tbd			x			x	x
Highlands Drive Infill	tbd	x		x			x	
Ilitha Park Infill	tbd			x			x	x
Joe Slovo Park	tbd				x		x	x
Kensington infill	tbd		x				x	x
Khayelitsha 28804	tbd			x	x		x	x
Khayelitsha, Erf 28019 & 29155	tbd			x	x		x	x
Los Angeles and Green Park	tbd							
Lwandle Hostels	tbd							
Mahama Infill	tbd			x			x	x
Nooiensfontein	tbd							
Nyanga Hostels	tbd						x	
Ottery, 44ha site	tbd	x					x	
Pelikan Park Phase 2	tbd						x	
Philippi Wedge	tbd							
Potsdam Outspan, CA 235-0	tbd						x	x
Salt River Market Social Housing	tbd	x	x	x	x	x	x	x
Scottsville GAP/Social	tbd						x	x
Solele, CA 951-39	tbd							
Wolwerivier	tbd							

Human Settlements project schedule 2015/16: Provincial lead	Projected Yield	Restructuring Zones	Integration Zones		Economic Node (proximity)	Urban Development Zone	Transit Accessible Precincts	Public Transport Zones
			VRC	MSE				
Boys Town	1367							
Blue Downs Veterans	200							
Delft 7	518							
Delft infill sites	389				x		x	
Delft Symphony Precinct 3 & 5 (A&B)	1911						x	
Forest Village	5268			x				
Langa - Joe Slovo	2886	x					x	
Nuwe Begin Fontainshead FLISP	250						x	
Our Pride CTCHC sites	41							
Penhill	n/a						x	x
Sheffield Road	500			x			x	
The full extent (m²) of housing projects has been measured against the various spatial elements								

Annexure C: Integration Zone Overview

Voortrekker Road Integration Zone Statistical Overview

Overview	**Spatial Description**	**The Voortrekker Road Corridor Integration Zone (VRCIZ) has been identified as a regeneration corridor directly linking the Bellville and Cape Town Central Business Districts which are situated approximately 20km from each other. Key spatial elements of the VRCIZ include an efficient multimodal public transport network (road, rail, taxi, bus etc.); the highest number of tertiary institutions in relation to the rest of the City; abundant social facilities and opportunities for latent land use rights to be taken up (reducing turnaround times for proposals in many instances). In addition, a significant portion of the City's Urban Development Zone (UDZ) extent is within the VRCIZ. The regeneration initiative aims to facilitate investment in the corridor by remediating the drivers of disinvestment, including: urban management issues, infrastructure and transport capacity constraints, inefficient and unproductive use of public land, anti-social behaviour, lack of public facilities and ineffective land use management.** **The VRC IZ, with its diverse range of land uses (including: residential, commercial, retail, industrial and public facilities), excellent location and established infrastructure and services has significant potential for renewal and redevelopment. By taking advantage of these locational advantages, spatial restructuring that will result in a more efficient city form and function, can be driven. By utilising the locational advantages of existing infrastructure networks and leveraging the existing and planned public transport networks, transit-oriented development - where communities are in close proximity to public transport, employment and social amenities - can be realised. A core component of the strategy will be the facilitation of social rental housing.**					
	Statistical Overview	Popn.	Households	No. households No Income	Estimated Number of Housing units (Source: CCT Land Use modelling)	Estimated Bulk of Non-Residential (Source: CCT Land Use modelling)	
		The VRC is home to 241 038 people which equates to 6.44% of the Metro's population. The VRC's population racial composition is: Coloured 50.8% vs 42.4% for the entire Metro. White 27.5% vs 15.7% for the entire Metro, and a noticeably smaller Black African representation of16.6% in comparison to the Metro at 38.6%.	The VRC average household size is 3.60 (Census 2011), up from 3.58 (Census 2001) this is similar to the metro average of 3.60 (Census 2011) and 3.72 (Census 2001) but shows an inverse trend.	The 2011Census reflects approximately 6000 households with no monthly income for the VRC which translate into 4.29% of the Metro's households with no monthly income.	79,352	8,600,000m^2	

Components	**Central Business District**	**Cape Town**						
	Urban Hubs	Bellville						
	Secondary Nodes (smaller township centers)	N/A						
	Other Municipal Nodes	Century City (Commercial), Maitland (Mix use), Riverton (Mix use), Parow East (Mix use), N1 City (Commercial)						
	Transport Attributes	Highway Access	Mobility Roads	Rail Stations	Taxi Ranks	Bus Routes	MyCiti	Other
		Direct access obtainable from the N1and R300 along the northern and easterly borders respectively. The N7 providing north-south linkages within the VRCIZ.	The grid street network permits ease of access and movement within the VRCIZ.	The VRCIZ has a 27 stations in total, with 4 ranked amongst the top ten busiest in the municipal area. The 4 station daily boarding & alighting figures are: Bellville (35572) Mutual (37141) Salt River (22552) Maitland (19785)	VRC has 10 formal taxi ranks, mainly located at public transport interchanges. A variety of routes are operated from these ranks providing accessibility to the majority of the City.	Golden Arrow Bus Service (GABS) routes are operational along the complete higher order road network for the VRC – i.e. Freeway; Expressway; Primary and Secondary arterials.	The area is not yet fully services by the BRT system; however, areas such as Salt River and Woodstock are currently serviced by BRT. Longer term BRT plans indicate implementation of a comprehensive network in the VRCIZ	The VRC is well served by NMT networks. A number of NMT upgrades are planned in key areas. I.e. Upper Halt Road, Elsie River.
	Transit Accessible Precincts (TAPS)	The draft TAPS's within the VRCIZ indicates the ability to accommodate higher density developments in order to unlock latent bulk rights and to also promote TOD initiatives. The TAP's are emphasized mainly along the railway network and where future BRT stops are envisioned. Ongoing work on the TAP's will providea clearer definition/weight of each TAP.						

<table>
<tr><td rowspan="4">Interventions</td><td>Informal Settlements</td><td colspan="6">There are 7 informal settlements located within the VRC that accommodates approximately 1544 residents. These informal settlements are:
• Koekoe Town (98)
• Maitland cemetery (113)
• Royal Plakkers Kamp (172)
• 6th Avenue, Kensington (189)
• Wingfield Camp (235)
• Appelboord (359)
• Gaza (378)
Area based interventions will consider the informal settlements.</td></tr>
<tr><td>Infrastructure Upgrades</td><td colspan="6">The VRC has an extensive services infrastructure network. Some capacity constraints exist within this network. As one of the oldest parts of the City, infrastructure is aging and requires upgrading in some instances to prevent failure and to augment capacity.

Core infrastructure deficiencies and current work include key electricity upgrades, waste water treatment works and critical road infrastructure upgrades.</td></tr>
<tr><td></td><td>Urban Development</td><td>Infrastructure</td><td>Human Settlement</td><td>Intervention</td><td>Programmes</td><td>Property</td></tr>
<tr><td>Catalytic Projects</td><td>1. Belhar CBD Redevelopment
2. Conradie Hospital
3. Salt River Market
4. Tygerberg Hospital</td><td>Public Transport
1. Bellville PTI
2. Parow PTI
3. Bellville Integrated Transport Land Use Plan
4. Kruskal Ave
Solid Waste
5. Bellville waste transfer station
6. Bellville landfill expansion

Water & Sanitation
7. Bellville WWTW MURP
Electricity
8. Koeberg Road switching station
9. Plattekloof N1 Main substation upgrade
10. Oakdale Main substation upgrade
Sewerage
11. Northern Areas sewer line upgrade</td><td>Voortrekker Integration Social Housing

1. Belhar SH
2. Glenhaven SH
3. Belhar Pentech</td><td>1. Bellville Paint City
2. Maitland Abattoir & surrounds
3. Stikland Hospital
4. Stikland Triangle
5. Wingfield</td><td>1. MURP</td><td>1. Parow Golf Course</td></tr>
</table>

Metro-South-East Road Integration Zone Implementation Plan / Prioritisation Rationale

<table>
<tr><td rowspan="2">OVERVIEW</td><td>Spatial description</td><td colspan="5">The MSEIZ comprises 12.3% of the CCT's jurisdictional area within the urban edge and more than 39% of the total metropolitan population. The MSEIZ is the location of 31% of Cape Town's formal dwellings, 51% of its backyard units, and 70% of the city's informal dwellings (not in back yards). The highest unit densities in the city (above 100 units/ha) occur in the MSEIZ, specifically in Langa, Philippi/ Crossroads, Site B, C, and TR Section, and the rest of Khayelitsha. The area is home to the largest concentration of people in the city rated worst off in terms of the Socio-economic Status Index (specifically the area from Langa south-eastwards towards Khayelitsha), and the largest concentration of people in the city rated worst off in terms of the Household Services Index (specifically Philippi/ Crossroads, Site B, C, and TR Section, and the rest of Khayelitsha).

The south-east, where most of the city's poor live, is not achieving the same growth as the high-income suburbs to the west. The lack of formal industrial and commercial development in the Cape Flats is very striking considering the sizeable resident population. Rail provides the backbone of transportation services within the MSEIZ. The Southern and Cape Flats Lines partially pass through the MSEIZ. The Langa, Guguletu, Bishop Lavis, Heideveld, Nyanga, Mitchells Plain and Khayelitsha areas (central and eastern MSEIZ) have the highest trip origins in the city. Social facilities of all types are generally under stress, specifically in the eastern parts of the area.</td></tr>
<tr><td>Statistical overview
(MSEIZ wide)</td><td>Population</td><td>Households</td><td>Income</td><td>Housing units</td><td>Non residential</td></tr>
<tr><td></td><td></td><td>• 1.46m, more than 39% of city (on 12.3% of land area).
• In part the primary focus of residents who have recently migrated to Cape Town (specifically Philippi/ Crossroads, Site B, C, and TR Section, and the rest of Khayelitsha).
• The spatial pattern of the overall Socio-economic Status Index (SES) has largely remained the same between 2001 and 2011, exhibiting two broad clusters, a better off area stretching from the CBD towards Langa and a worse off area from Langa south-eastwards towards Khayelitsha.</td><td>• Household size in the western, wealthier parts and Black African areas (specifically Crossroads, Philippi, and Khayelitsha) are generally smaller than the city average.</td><td>• Incomes vary, with the western MSEIZ on or above the city average and the central and eastern parts generally below the City average.
• More than 55% of the households in the MSEIZ suburbs stretching from Langa south-eastwards towards Khayelitsha earns a monthly income of R3 200 or less.</td><td>• 386,320 (Source: CCT Land Use modelling)

• Predominantly residential.
• Different parts of the MSEIZ exhibit a different relationship between residential use and other uses (within and outside the area).
• Lower residential population densities are generally located in the western side of the MSEIZ while high densities are located in the east.
• In the west, high densities are mostly located around amenities, transportation interchanges, and along activity streets.
• In the east, high densities are located in pockets (e.g. informal settlers making the most of available land), not necessarily located optimally in relation to public transport services or amenities.</td><td>• 7,450,000m2 (Source: CCT Land Use modelling)

• 37% of the city's total number of housing opportunities.
• 31% of the city's formal dwellings.
• 51% of the city's backyard units.
• 70% of the city's informal dwellings (not in back yards).</td></tr>
</table>

ELEMENTS		West		Central		East	
	CBD	Cape Town.					
	Urban Hubs			Athlone CBD.		• Philippi East • Khayelitsha CBD. • Mitchells Plain Town Centre.	
	Transport attributes	**Freeway**	**Mobility**	**Rail**	**Bus**	**Taxi**	**NMT**
		• N2: passing from Somerset West through the MSEIZ to the CBD. • R300: an east/ west link from the Philippi area towards the N2 and northwards towards the northern and eastern areas of the metropolitan area. • M5: a major freeway link between the N1 and N2 freeways.	• Klipfontein Road: a major secondary link (Class 2 route) between the western (Mowbray area) and eastern side (Crossroads/ Philippi) of the MSEIZ. • Lansdowne Road: a major secondary link (Class 2 route) between the western (Wynberg) and eastern side (Khayelitsha) of the MSEIZ. • Baden Powell Drive: the major secondary link on the southern boundary of the MSE IZ, providing linkages to the west (Muizenberg) and to the east (Stellenbosch). • Raapenberg/ Forest Drive: a major secondary link between the Mowbray area and Pinelands. • Jan Smuts Drive: a major secondary link between the Athlone area and Pinelands/ Epping. • N7/ Vanguard Drive: the major secondary north/south link in the central area of the MSE IZ, linking the central portions to all central and northern suburbs of the city. • Duinefontein/ Modderdam Road: a major secondary link between the Guguletu area and the central and northern areas of the city. • Borcherds Quarry/ New Eisleben: serves as an important linkage for Mitchells Plain to the north. It is not quite continuous at present (in the vicinity of the N2), but improvement of the continuity has been planned and could be implemented soon. • Stock/AZ Berman: a major secondary link between Mitchells Plain and the Philippi Industrial area, serving a similar purpose to Borcherds	• Rail provides the backbone of transportation services within the MSEIZ. The Southern and Cape Flats Lines partially pass through the MSEIZ. The entire Kapteinsklip and Chris Hani branches of the Central Line fall within the MSEIZ, and a section of the Sarepta branch of the Central Line falls within the MSEIZ. • 13 passenger rail stations of varying size and functions. • The 2012 Rail Census data do not indicate capacity issues on the Mitchells Plain and Khayelitsha rail lines. • A major problem affecting the operation of the service is the theft of signal cabling and equipment which causes huge delays on the service.	• Of the ten busiest current bus routes in the City, seven originate or pass through the MSEIZ. • CTIA MyCity service (from/ to the CBD).	• Major taxi ranks are Mitchells Plain Town Centre and Nolungile (Khayelitsha).	• Provided across the area (often associated with new projects).

			Quarry/ New Eisleben through its interchange with the R300. • Swartklip Road, Mew Way and Spine Road: the major arterials servicing the eastern portion of Mitchells Plain, as well as Khayelitsha, and heavily used by public transport vehicles.				

INTERVENTIONS	**Strategy**	*See Strategic Framework Summary.*		
	Thematic interventions	*Under investigation.*		
	Area based interventions	**West**	**Central**	**East**
	Mayoral Urban Regeneration	-	• Bonteheuwel. • Athlone. • Gatesville. • Valhalla Park (on MSIEZ edge). • Bishop Lavis (on MSEIZ edge). • Nyanga. • Gugulethu. • Manenberg. • Hanover Park (on MSEIZ edge).	• Philippi East Node. • Mitchells Plain Town Centre. • Khayelitsha CBD. • Harare Precinct. • Kuyasa Project.
	MSEIZ Priority Local Areas (proposed)	• District 6. • Salt River/ Woodstock. • TRUP/ Mowbray Golf Course.	• Athlone CBD/ Athlone Power Station. • Gugulethu/ Nyanga. • Manenberg/ Hanover Park.	• CTIA/ Philippi. • Lentegeur/ Promenade/ Mitchells Plain Town Centre. • Denel/ Swartklip. • Khayelitsha CBD/ Khayelitsha Industrial area. • False Bay Coastal nodes.
	Existing area-based planning initiatives	• TRUP Development Framework. • Athlone Power Station Pre-feasibility and Concept Development Framework.	• CTIA aerotropolis feasibility study. • Hanover Park Development Framework.	• Momwabisi Coastal Node. • Denel Development Framework. • Kapteinsklip Development Framework.
	Human Settlements	**West**	**Central**	**East**
	Pipeline	• Salt River Market social housing.	• Gugulethu Hostels. • Nyanga Hostels. • Hanover Park infill.	• Khayelitsha Backstage, Erf 36638. • Khayelitsha Harare infill. • Khayelitsha Ilitha Park infill. • Khayelitsha Erf 28019/29155. • Khayelitsha Erf 28804. • Khayelitsha Mahama infill. • Mitchells Plain Highlands Drive infill.
	Planning	• Woodstock Pine road social housing. • Salt River Foundry Road.	• Bonteheuwel infill. • Valhalla Park infill. • Athlone Vygieskraal. • Athlone Kewtown. • Gugulethu Phola Park. • Nyanga Lotus Park.	• Philippi Braaf/ Sheffield. • Philippi BRT relocation. • Philippi Monwood. • Khayelitsha Barney Molokwana. • Khayelitsha Enkanini. • Khayelitsha False Bay IDA. • Khayelitsha Green Point Phase 3. • Khayelitsha Momwabisi Park. • Mitchells Plain Beaconvalley infill. • Mitchells Plain Kapteinsklip.
	Implementation		• Langa CRU. • Langa Joe Slovo (N2 Gateway). • Valhalla Park 8ste Laan.	• Khayelitsha CBD. • Mitchells Plain backyarder upgrade.

			• Bonteheuwel backyarder upgrade. • Athlone Hazendal infill (Bokmakierie). • Gugulethu backyarder upgrade. • Nyanga upgrading. • Nyanga Thambo Square. • Heideveld backyarder upgrade. • Heideveld Duinefontein Road. • Manenberg backyarder upgrade. • Manenberg The Downs infill. • Hanover Park backyarder upgrade. • Gugulethu MauMau infill.			

Infrastructure (MSEIZ wide)	**Transport**	**Electricity**	**Water**	**Waste water**	**Storm water**	**Other infrastructure**
	• BRT Phase 2B Wynberg to Mitchells Plain/ Khayelitsha (planning). • Integrated Rapid Transit Control Centre. • Integrated Rapid Transit Fare Collection system. • Metro South-east Public Transport Facility (planning) including: • Vuyani PTI • Samora Machel • Nolungile PTI • Nonkqubela • Nyanga • Makhaza • Lentegeur • PRASA Rail Modernisation (implementation). • Blue Downs Rail Link (planning). • Various metro road upgrading projects. • Various road projects (for housing). • Various traffic calming projects. • Various NMT projects.	• Athlone to Philippi OH electricity line undergrounding (implementation). • Eskom Investment Programme (planning and implementation).	• Various bulk water augmentation/ refurbishment projects (for housing). • Water provision for informal settlements (various projects).	• Cape Flats Waste Water Treatment Works. • Increase in treatment capacity of Zandvliet Wastewater Treatment Works • Regional resources development. • Various waste water augmentation/ refurbishment projects.	• Various bulk storm water projects (for housing).	• Dark Fibre Broadband infrastructure. • WCG Broadband Connectivity. • Digital Inclusion Project Proposed. • Realigned runway at CTIA (ACSA). • Various park improvements. • Various cemetery improvements.

Infrastructure (area specific)	**West**	**Central**	**East**
Transport	• Inner-city public transport hub.	• Gugulethu concrete roads.	• Stock Road upgrading. • Lentegeur/ Mandalay Station Public Transport Interchanges (implementation). • Mitchells Plain Transport Interchange (implementation). • Nolungile Public Transport Interchange (planning). • Khayelitsha CBD Public Transport Interchange.
Electricity	• Observatory Main Sub-station upgrade (planning).	• Bofors (Epping) Main Sub-station upgrade (implementation). • Erica Electricity Intake Point at Mitchells Plain to meet load growth in the southern peninsula, Gugulethu and Mitchells Plain where the load already exceeds the capacity of infrastructure (planning). • Backyarder connections (Heideveld, Valhalla Park, Woodlands a priority). • Electrification of formal and informal areas (Monwood a priority). • Integrated National Electrification Programme Grant (INEPG) connections in undersupplied areas (focus on Heideveld, Langa, Gugulethu).	• Erica Electricity Intake Point at Mitchells Plain to meet load growth in the southern peninsula, Gugulethu and Mitchells Plain where the load already exceeds the capacity of infrastructure (planning).

	Water			• Water supply at Baden Powell to Khayelitsha.	
	Solid waste	• Athlone Transfer Station (± R125m).		• Swartklip Transfer Station.	
	Waste water		• Athlone Waste Water Treatment Works Phase 1 (implementation). • Cape Flats Waste Water Treatment Works (implementation). • Borchards Quarry Waste Water Treatment Works (implementation). • Mitchells Plain Waste Water Treatment Works (implementation). • Mitchells Plain Waste Water Treatment Works Phase 2 (implementation). • Philippi Collector Sewer (implementation).		
	Social facilities	**West**	**Central**	**East**	
			• Gugulethu clinic upgrade and extensions for TB and ARV services. • Heideveld ECD. • Nyanga/ Gugulethu prioritised for large/ intermediate parks development over the short term.	• Replacement/ extension/ upgrade of various clinics (replacement of Zakhele and Tafelsig clinics the top priorities). • New Mandalay clinic (Mitchells Plain). • Lentegeur ECD. • Philippi/ Khayelitsha prioritised for large/ intermediate parks development over the short term. • Kuyasa Regional Library. • Khayelitsha Wetlands Park upgrade.	
	Catalytic (current proposed/ under discussion) *Projects not in the BEPP shown in italics*	**Urban Development**	**Infrastructure**	**Human Settlement**	**Other**
		• Athlone CBD planning and construction (2015-2018: R5.1m). • Athlone Power Station technical/ financial feasibility (2015-2017: R8.3m). • *Khayelitsha CBD expansion.*	• BRT Phase 2 Wynberg to Mitchells Plain/ Khayelitsha (2015-2018: R1.6bn). • *PRASA Rail Modernisation.* • Northern Areas sewer line replacement through Thornton to Athlone WWTW (2015-2018: R122m). • Cape Flats 3 sewer; additional sewer line between Athlone WWTW and Cape Flats WWTW (2015-2018: R179m). • Athlone to Philippi OH electricity line undergrounding (2015-2018: R7.6m). • Mitchells Plain electricity Erica intake integration (2015-2018: R5m). • Stock Road upgrading (2015-2018: R45.52m). • Broadband (2015-2018: R542.6m city-wide). • *Blue Downs Rail Link.*	• District 6 Social Housing (2015-2018: R78.8). • Salt River Market social housing (no budget). • Southern Corridor. • Lentegeur social housing (no budget). • Kapteinsklip social housing (no budget).	• *Khayelitsha Industrial Area.* • *Maitland Abbatoir.* • *Two Rivers Urban Park.*

Annexure D: Alignment Screening Questionnaire and Provisional Scoring Criteria

			ESTIMATED SCORE	SCORING CRITERIA			Information Sources and key contacts
Question #	**Priorities: Alignment of Capital Budgets** (as per report approved by Joint Cluster)	**Strategic theme**	**Score: low/ medium/ high**	Low	Medium	High	Information Sources or Spatial Reference Layers
1	Support the strategic objectives of the City – as articulated in the Integrated Development Plan, the Economic Growth Strategy, and the Social Development Strategy	Strategy alignment		Indirectly supports an IDP programme or a strategic intervention identified in the EGS or SDS	Directly an IDP programme or a strategic intervention identified in the EGS or SDS	Project makes a direct and tangible contribution to more than three IDP programmes or strategic interventions identified in the EGS or SDS	(i) Integrated Development Plan (2012-2017) and Annual Reviews; (ii) Economic Growth Strategy; (iii) Social Development Strategy. Source: http://www.capetown.gov.za/en/IDP/Pages/default.aspx
2	Support the consolidation of the City footprint - in recognition of the fact that the consolidation of the City footprint can (i) enhance the efficiency of the public transport network, (ii) ensure that people are located closer to economic opportunities and social amenities, and (iii) promote efficiencies in basic service provision.	Spatial consolidation		Project (or its influence area) located in greenfield within the urban edge	Project (or its influence area) located within the urban edge and within the built footprint	Project (or its influence area) is located in an integration zone **OR** Project supports densities of >80 du per ha within the urban edge and the built footprint	(i) Urban Edge Map (ii) Built Footprint Map (iii) Integration Zones Map
3	Prioritise projects that support the City's objectives with regard to Transit Oriented Development and enhancing the efficiency of the public transport network	Transit-Oriented Development		Project is not located in a Transit Accessible Precinct (TAP)	Project located inside a TAP **OR** Project's influence area corresponds >50% with a TAP areas **OR** Project supports initiatives/ projects in a TAP area.	Project constitutes an enhancement/ redevelopment/ support investment of the trunk BRT or rail station, Public Transport Interchange or other node in a TAP **OR** Project's influence area corresponds >75% with a TAP area **OR** Project supports initiative(s)/ project(s) located on a BRT/ rail trunk station or PTI or other node in a TAP area.	(i) Transport Accessible Precincts map

			ESTIMATED SCORE	SCORING CRITERIA			Information Sources and key contacts
Question #	**Priorities: Alignment of Capital Budgets** (as per report approved by Joint Cluster)	**Strategic theme**	**Score: low/ medium/ high**	Low	Medium	High	Information Sources or Spatial Reference Layers
4	Maximise opportunities to leverage existing basic service infrastructure (and recognising the need to maintain the City's existing infrastructure)	Basic service infrastructure		Project requires significant investment in new bulk infrastructure - not currently provided for in sector plans (roads/ stormwater, electricity, water, sanitation)	Project requires additional investment in bulk infrastructure, but such investment is already provided for in sector plans (roads/ stormwater, electricity, water, sanitation)	Project requires no additional investment in bulk infrastructure (can be accommodated within current bulk)	(i) Consider utility sector plans: Source: http://www.capetown.gov.za/en/IDP/Pages/StatutoryPlans2012.aspx
				Project constitutes new bulk, link or distribution infrastructure currently prioritised on the **10 year capital programme** (roads/ stormwater, electricity, water, sanitation) based on the **long term risk assessment.**	Project constitutes new bulk, link or distribution infrastructure currently prioritised on the **5 year capital programme** (roads/ stormwater, electricity, water, sanitation) based on the **medium term risk assessment.**	Project constitutes new bulk, link or distribution infrastructure currently prioritised on the **3 year capital programme** (roads/ stormwater, electricity, water, sanitation), based on the **short term risk assessment.**	(i) Risk maps per infrastructure type
5	Prioritise projects that are planned as part of a programme of interventions to improve City infrastructure and services in a particular area (and recognising the need for social facilities as part of an integrated approach to human settlements)	Integrated investment programme		Project (or its influence area) has no linkages to planned or **committed Human Settlements and/ or MURP capital projects**	Project (or its influence area) is an enabler for another **committed human settlements and/ or MURP** capital project **OR** has directly linkages to another capital project	Project (or its influence area) is an enabler of **more than 1 committed HS and/ or MURP** capital projects **OR** Project contributes directly to the City's objectives with regard to **facilities optimisation**	(i) Human Settlement Project Pipeline map; (ii) MURP areas map;
6	Prioritise projects in areas where citizens are in greatest need (as determined by socio-economic indicators derived from the Census and by City-level analyses of access to services and amenities)	Socio-economic need		Project to serve community in a "very good" or "good" area **OR** Project's influence area predominately (>75% of clients) serves a community in a "very good" or "good" area.	Project to serve community in the "average" area. **OR** Mixed-Income project (project services range of income groups) **OR** Projec's influence area predominately (>75%) serves a community in the "average" area.	Project (or >90% of its influence area) serves a community in "very needy" or "needy" areas. **OR** Project addresses identified need for social infrastructure in a particular area (as per CSIR research output).	(i) Socio-economic index map; (ii) CSIR Investment map; The Cape Town Census 2011 Socio-Economic Index Source: http://cityapps.capetown.gov.za/sites/ikrc/Document/Cape_Town_Census_2011_Socio-Economic_Index.pdf

			ESTIMATED SCORE	SCORING CRITERIA			Information Sources and key contacts
Question #	**Priorities: Alignment of Capital Budgets** (as per report approved by Joint Cluster)	**Strategic theme**	**Score: low/ medium/ high**	Low	Medium	High	Information Sources or Spatial Reference Layers
7	Facilitate economic growth by focusing investment in growth-enabling infrastructure in areas of high economic potential, but lagging levels growth and investment	Enabling economic growth		Project (or >75% of its influence area) is situated in an area classified as having a **0-0.4 factor** of network constraint on long-term growth prospects (red and orange).	Project (or >75% of its influence area) is situated in an area classified as having a **0.5-0.6 factor** of network constraint on long-term growth prospects (yellow).	Project (or >75% of its influence area) is situated in an area classified as having a **0.7-1.0 factor** of network constraint on long-term growth prospects (light and dark green).	Map showing areas where network upgrades are most likely to trigger a commensurate market response in the forseeable future. Values are based on the extent to which future commercial and industrial growth prospects are being hampered by bulk and road network constraints.
				Project (or >75% of influence area) is situated in an area classified as having a **0-0.4 factor** of business environment constraint on long-term growth prospects (red and orange).	Project (or >75% of its influence area) is situated in an area classified as having a **0.5-0.6 factor of business environment constraint on long-term growth prospects** (yellow)	Project (or >75% of its influence area) is situated in an area classified as having a **0.7-1.0 factor of business environment constraint on long-term growth prospects** (light and dark green).	Map showing areas where improvements to the business environment (e.g. public space enhancements, safety measures and other amenities) is likely to trigger a commensurate market response in the foreseeable future, if complemented by appropriate urban management measures. Values are based on the extent to which local business areas are underperforming relative to their long-term location potential.
8	Prioritise catalytic projects with the potential to unlock opportunities for crowding in investment in priority areas - as articulated in the Built Environment Performance Plan (BEPP)	Impact		Project (or >50% of its influence) could unlock potential in the area and has a **low to medium likelihood** of triggering further investment from the private sector or national/ provincial government.	Project (or >75% of its influence) will unlock significant potential in the area, with a **high likelihood of triggering f**urther investment from the private sector or national/ provincial government.	Project (or >90% of its influence) is **identified and acknowledged as a Catalytic Project** in the CoCT Built Environment Performance Plan (BEPP)	BEPP catalytic projects

Annexure E: Infrastructure Review and Resource Demand Management

E1 Infrastructure Review

The City's Infrastructure is valued at more than R21.2 billion and is a dominant feature of the budget: allocations to Utility Services and TCT in 2015/16 represents just over R4 377m (76% of the total capital budget).

Bulk purchases – of electricity and water from suppliers – to the value of over R700m forms a large component of the City's total operating expenditure of R31 687m in 2015/16.

A detailed assessment of infrastructure challenges and approaches employed by the City was included in the 2015/16 BEPP approved document[10]. The following section on Water Resource Management is included in the Draft Review for the first time.

E2 Water Resource Management

Water is a scarce resource exacerbated by periods by prolonged drought and requires effective ongoing management. Initiatives include a combination of public education and technical interventions such as treated effluent reuse, pressure management, leak detection and pipe-replacement. Longer-term the City is intent on introducing desalination, more extensive ground water exploitation, effluent reuse and grey water harvesting.

For the past three years CCT has paid attention to its own infrastructure, and decreased its water demand by introducing various water conservation and water demand management (WCWDM) initiatives. Most of the maintenance activities of the Reticulation Branch also have a WCWDM impact, for example the **Pipe Replacement Programme**. WCWDM initiatives include the creation and analysis of District Metered Areas (DMA's), installation of pressure relief valves in high-pressure areas, thus decreasing the quantity of water losses through leaks and burst pipes. In addition to the **Pressure Management Programme**, further initiatives implemented include the **leaks detection and repair programme** (for indigent consumers), retrofitting, the **meter replacement programme** and **meter audits, installation of water management devices**, retrofitting, treated-effluent reuse, and consumer education and awareness.

Strategy Documents guiding the City's approach to water service provision are based on:

- Water Services Development Plan – updated every 5 years
- Water Conservation and Water Demand Strategy
- Water Service Business Plan – Reviewed annually

The City of Cape Town has used a Master Planning Process since 2010 to manage, plan, budget and upgrade water and sanitation infrastructure. This planning process covers bulk water infrastructure, water and sewer reticulation infrastructure and wastewater infrastructure. A 20 year planning horizon was used for the process and was based on the land use modelling Pragmatic Densification Scenario (described in ***Table B Annexure A***).

Based on population counts a projected growth in demand for water is expected to be 2.8 % per annum over the next 20 years from an average Annual Average Daily Demand – AADD - of 793,000 to 976,255 kl/d). The sewer projections over a 20 year period are reflected in ***Table Ei***:

[10] CCT 2015/16 BEPP Section B.3

Table Ei: Summary of sewer flows increase expected over 20 years

	Water Demand AADD (kl/d)	Sewer flow AADD (kl/d)
Present	735 799	585 499
Fully zoned	912 633	685 622
Densification	96 550	66 705
Future development areas	311 877	198 459
	1 321 060	950 786

The current assets and anticipated Master Planning costs associated with the 20 year scenario as included in ***Table Eii***:

Table Eii: Assets Replacement Value and future Master Planning costs

		Total Cost (R bn)	
		Replacement Cost	Master Plan Items
Water Reticulation	Pipelines	8 719	719
	Reservoirs	1 371	104
	Pumping stations	95	18
Water Bulk	Pipelines and pumping stations	8 899	1 975
	Reservoirs	2 333	752
	WTW	2 877	504
		24 294	4 072
Sewer	Gravity mains	17 657	1 657
	Pump stations	156	64
	Rising mains	783	715
	WWTW	5 350	1 883
		23 946	4 319

Balancing Infrastructure Development and Revenue is a challenge for The City in the context of annual tariff increases of other essential services (in particular electricity) as well as the provision of free services of 6kl/month.

The number indigent households and increasing levels of unemployment (estimated at 34.9%) with respect to revenue collection calls for a delicate balance of securing a reliable service for the paying customer and providing a basic service sustainably. It is therefore in the interest of the city to have a balancing combination of growth that includes low, middle and high income development across the city. Achieving this balance requires the appropriate water and sanitation infrastructure to support it.

E3 Transformation of the City – Infrastructure Response

Water and sanitation investment is targeted within the two Infrastructure Zones and the Blue Downs Rail Corridor.

A sizable share of planned infrastructure development is aimed at responding directly to this need.

Water: All formal houses have metered individual connections. Indigent households in the city receive an additional amount of free water over the 6kl/month.

Informal areas are serviced with 4,663 taps located within the City's informal settlements.

The City has areas affected by low water network pressure that needs to be addressed, as indicated in ***Diagram Ei***.

Since 2011, taking into consideration all of the water savings interventions the City has saved approximately 3.6% of bulk use. The City has been implementing pressure management programme on its reticulation network since 2011. Of the zones being optimised to reduce water losses, the City has managed to record savings of 6,900 Ml since 2011 pressure management implementation. The programme continues in a bid to ensure more zones can be isolated and optimised. Monitoring improvements are also being rolled out with the objective to track optimisation in all zones.

Schemes currently being considered for future implementation to increase the water supply to Cape Town include the raising of existing dams, river diversion, groundwater, water re-use and sea water desalination schemes. The success of various management interventions of current water resources, has enabled these schemes to be deferred or staggered over an extended period. Water network upgrades for the reticulation network are substantially less than sewer reticulation. Nevertheless, the Bulk Water Augmentation Scheme (BWAS) is extensive and costly and is required to secure the future supply to the city. The scheme has been deferred a number of times to spread costs of instillation of large items over a number of years. It has become critical for the remaining items to be installed for the full scheme to be operational by 2022.

Important reticulation upgrades that will affect Integration Zones are the bulk supply to Belhar CBD, additional bulk supply to Khayelitsha, the bulk supply to the Bellville CBD and the bulk supply north of the N1.

Sanitation: The City has reticulated flush sanitation in formal developed areas with isolated pockets where a tanker service is still required.

In informal areas there are approximately 24079 toilets within the 204 informal settlements. This is made up of an array of sanitation solutions ranging from black bucket, portable flush, chemical toilets, 100L container systems and pour flush systems etc.

Diagram Ei also illustrates sanitation constraints relating to the bulk sewer (> 200mm) reticulation system.

Bulk Sewer upgrades underway such as the replacement of the Northern Area Sewer, the Philippi collector sewer and the Cape Fflats 3 Sewer. The future bulk sewer link from Belhar to the Delft outfall sewer, the upgrade of the Borcherds Quarry outfall and the upgrade of Nooiensfontein Bulk sewer will provide significant additional sewer reticulation capacity to the development corridors.

Wastewater Treatment Works upgrades will occur over the next five years at Maccasar, Zandvliet, Borcherds Quarry, Athlone and Potsdam WWTW's. This huge investment will improve capacity at all these WWT catchments and directly impact on the IZs and BDRC.

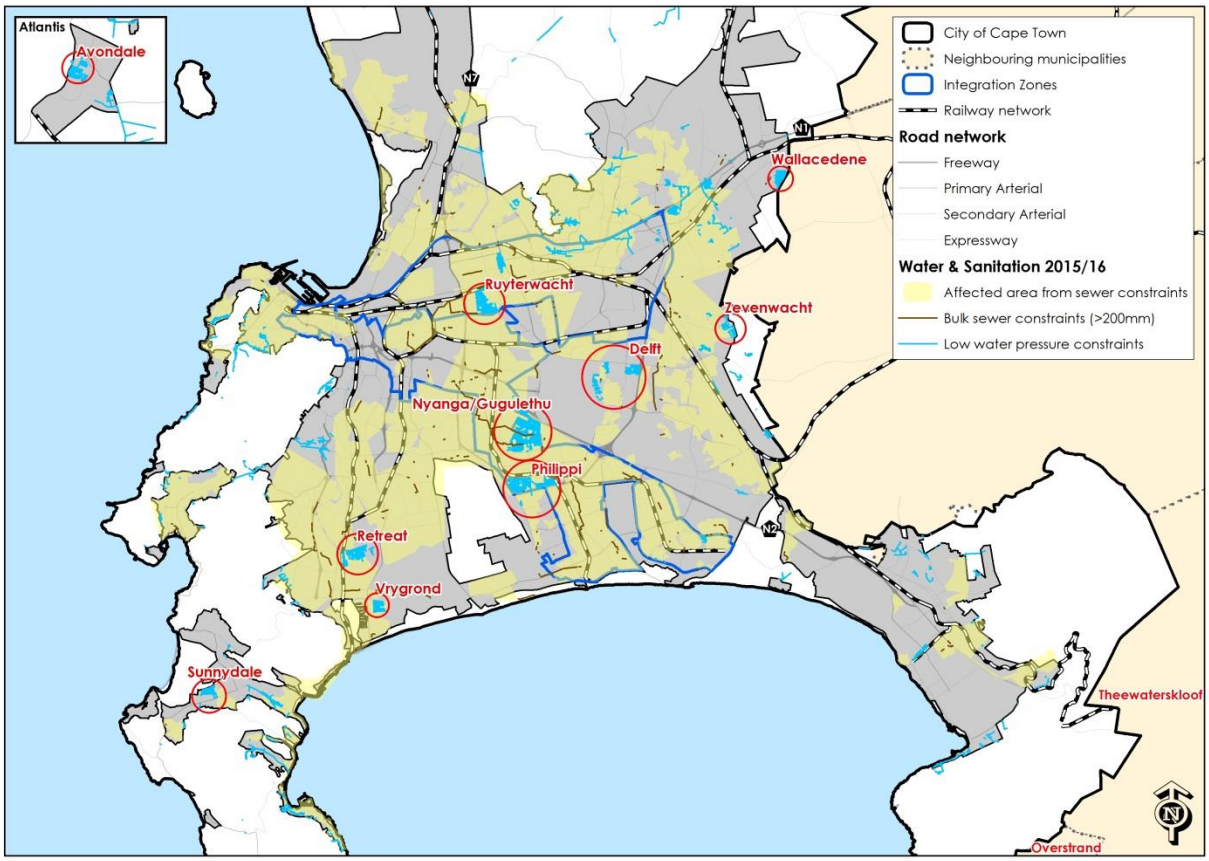


Diagram Ei: Sewer and Water Constraints

Energy

The sustainable growth and development of the city is presently constrained by energy inputs; high energy input costs; traffic congestion; poor access to public transport; and the social challenges associated with poverty and inequality. The City of Cape Town recognises that pursuing a resource efficient development path is critical to economic growth, increasing competitiveness, addressing poverty and building resilience to a range of risks such as unstable energy supply and pricing, recession, population pressures due to distress elsewhere, and impacts from climate change.

The City has made progress towards a more sustainable energy future: institutional and monitoring systems have been established and electricity efficiency targets set in the 2010 Energy and Climate Action Plan (ECAP) were exceeded.

The 2015 Cape Town State of Energy report (2012 data year) suggests the following:

Energy demand:

- Transport consumes 64% followed by commerce (13%), the residential sector (12%) and industry (8%)
- Municipal consumption accounts for 1% of total energy consumption.
- Continued growth in total energy demand is predominantly led by the transport and commercial sectors.

Carbon emissions:

- Transport contributes the largest proportion (33%) followed by residential (22%), commercial (26%) and industrial sector (11%).

Cape Town Energy2040 modelling, completed in 2015 indicated that a "business-as-usual" trajectory would manifest in a doubling of energy consumption and emissions, and a tenfold increase in energy expenditure by 2040.

Energy2040 models a more resilient, lower carbon, resource efficient and equitable future for the City based on current technologies and behaviour change potential and informs the ECAP review. Additionally, Engerg2040 recognises that greater efficiencies can be achieved; new diversified generation accompanied by lower energy costs can be accessed; and energy services can be provided to low income households.

Stated City commitments to pursuing Transit Orientated Development (TOD) supported by the public and Non-motorised Transport (NMT) modes and programmes to promote increased car occupancy will, in the long-term, alleviate future dependence on fuel and reduce emissions.

Energy2040 serves as a strategic tool for decision making. Committing to a long term energy vision requires a shorter-term action plan with targets, to influence and, where possible and shape determine development over the next five years.

The Energy2040 carbon emission targets (as decade-by-decade % reductions) are expressed in ***Table Eiii***:

Table Eiii: Energy2040 Emission Targets for City of Cape Town

Carbon emissions (tCO_2e)	**2020**	**2030**	**2040**
Electricity efficiency (off business-as-usual)	-3.7%	-7.7%	-9.3%
Cleaner electricity generation (off business-as-usual)	-6.2%	-13.9%	-15.9%
Transport (off business-as-usual)	-3.2%	-7.2%	-11.2%
Carbon Emission Indicator 1 *Energy2040 Vision Total Carbon (CO2e) reduction off business-as-usual*	***-13%***	***-29%***	***-37%***
Carbon Emission Indicator 2 *tCO2/R million GVA*	***82***	***60***	***49***

Targets have been established for 2020 per contributing sector and are listed below.

Residential

- 10% of houses have efficient water heaters
- 80% of residential lighting is efficient
- 40% of fridges are efficient
- 12% of houses have efficient shower heads

Commercial

- 80% of all lighting is efficient
- 30% of all buildings have efficient heating and cooling
- 40% of water heating is efficient
- 12% of refrigeration is efficient

Transport

Private:

- 9% of vehicles (85 000) are more fuel efficient
- Car occupancy increased from 1.45 people to 1.53 per car = 4% decrease in fuel use

Public:

- A doubling in passenger kilometres of the Bus Rapid Transit system
- 30% of minibus taxis and buses efficient
- 2% shift of passenger kilometres from private to public modes
- 3% freight shift from road to rail transport

Supply

- 120 MW of rooftop photovoltaics installed (commercial and residential)
- 300 MW of gas (or other cleaner supply) and 100MW of large scale renewables

A range of measures over the next 5 years are in collaboration with residents and businesses are working towards achieving the goal of a low carbon, resilient and resource efficient city. These projects and programmes are based on the following interventions:

- To reduce the impact of the national electricity supply crisis on Cape Town, the City and Western Cape Government, are collaborating on an **Energy Game Changer programme** to drive energy efficiency and a rapid diversification of the energy supply mix. Renewable and cleaner energy supply is a key component of this initiative.

- The City's innovative **Electricity Savings Campaign** for commercial and residential sectors is an effective communication platform. Efficient water heating is a focus of the residential programme and the Energy Efficiency Forum addresses commercial business.

- **Small scale embedded generation** is actively supported by the City and has introduced a feed-in tariff with the first large scale customer being signed up in 2014.

- **Energy efficiency and renewable energy in municipal operations -** the City is leading by example by retrofitting street lights, traffic lights and buildings with energy efficient lighting, and by installing rooftop photovoltaic systems. This is accompanied by energy management training for facilities staff, smart driver training for fleet, and behaviour change programmes for building users.

- **Transport and spatial planning programmes** focus on public transport, transit oriented development expressed in this BEPP, maintenance of the urban edge, non-motorised transport and transport demand management.

- **The Smart Living and Working programme** targets learners, teachers, office workers, households, municipal staff and councillors in resource efficiency across energy, water and waste.